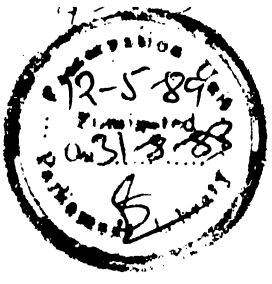

PARLIAMENTARY DEBATES

(Part I—Questions and Answers)

OFFICIAL REPORT

VOLUME IX, 1951

(7th August to 21st September, 1951)

Fourth Session

of the

PARLIAMENT OF INDIA

1951

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THE
PARLIAMENTARY DEBATES
(Part I—Questions and Answers)
OFFICIAL REPORT

PARLIAMENT OF INDIA

Wednesday, 22nd August, 1951

The House met at Half Past Eight of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

CORRUPTION IN GOVERNMENT OFFICES

*416. **Shri Sidhva:** Will the Minister of **Home Affairs** be pleased to state:

(a) the total number of cases handled by the Special Police Establishment in the year 1951 up to date;

(b) the number of persons, including government officers and servants, involved; the number of prosecutions launched and with what result;

(c) the number of cases in which departmental action was taken;

(d) whether persons against whom charges have been proved in court, are still in service or have been dismissed; and their number separately; and

(e) what safety measures Government intend to take against corruption and bribery?

The Minister of Home Affairs (Shri Rajagopalachari): (a) to (c). A statement is laid on the Table. [*See* Appendix IV, annexure No. 1.]

(d) Precise information regarding the number of persons dismissed and those still in service is not readily available. I may, however, state that conviction on charges of corruption and like charges, which has not been set aside in appeal, is invariably followed by dismissal from service.

(e) The House is aware that a Committee of Members of Parliament, under the Chairmanship of Dr. Bakshi Tek Chand has been examining the position. This Committee has not yet submitted its final report, but has made a number of valuable recommendations which Government have decided to accept.

Shri Sidhva: Sir, in the statement it is stated that the number of persons involved, including Government Officers and servants is 1,728. May I know how many of this number are Government Officers and how many are Government servants? Can I have the break-up of this figure?

Shri Rajagopalachari: As the hon. Member should be aware, this extends over the whole of India and over several departments. It is difficult for me to give the break-up of the total as wanted. It is with very great difficulty that we could get the actual figures from all parts of India, for it includes the Postal Service, the Railway Service, Customs and so on.

Shri Lakshmanan: May I know whether an expert committee in the Ministry of Home Affairs is examining the question of how corruption could be effectively checked and if so, what is the result of that enquiry?

Shri Rajagopalachari: I have said that a committee has been appointed by Parliament to look into the matter. I do not think that my Ministry could take up the role of an expert ministry in the matter.

Seth Govind Das: Is it a fact, Sir, that the procedure for prosecution in such cases is so complicated and long that it is very difficult sometimes even to prove genuine cases? If that be so, do Government contemplate bringing in such legislation as would make these trials summary trials?

Shri Rajagopalachari: Speaking for myself, I do not favour relaxing the laws of criminal justice because we wish to get rid of people. But Government is considering whether they could have a more speedy way of disposing of the issue whether a person should be in service or not. As regards conviction, I do not think Parliament would be inclined to relax the

old rule that ninety-nine guilty persons may get away rather than one innocent man should be punished.

Shri R. K. Chaudhuri: Is it a fact that now-a-days persons against whom departmental action has been taken are also afterwards prosecuted in the criminal court, and again, after the case ends in acquittal in the criminal court, departmental action is taken against them? Is it not the case that when the case in a criminal court ends in acquittal, there should be no further departmental action against the persons, according to the rules?

Shri Rajagopalachari: This is exactly the difficulty in the matters which Seth Govind Das referred to, and I would like hon. Members to keep this in mind. There are two issues in this matter. The criminal court is concerned with the issue as to whether there is sufficient convincing proof that the man has committed a crime. I consider the issue in the departmental case is whether there is enough to cast doubts on the advisability of keeping the person in service. The two issues are different. In answer to the last question I might say that usually the criminal enquiry is finished and upon that the departmental enquiry is completed. He is generally kept in suspension if the charge is grave and a criminal enquiry is taking place.

Shri Sidhva: Arising out of part (c). The hon. Minister said that out of 251 cases in which departmental action was taken, 46 resulted in departmental punishment. May I know how many out of these 46 resulted in dismissal?

Shri Rajagopalachari: As I have already stated conviction on charges of corruption results generally in dismissal. Beyond that, if the hon. Member wants further figures, I must get time to get the necessary information. But as I have already said in reply to the main question, number of cases which resulted in punishment is 46. The number in which the persons were exonerated is 42 and the number of cases pending is 163. That much I can say now.

Shri A. C. Guha: Is the Special Police Establishment entitled to enquire into the cases in the State services? Is there any machinery with the Government of India to enquire into the conduct of the officers under the service of the States?

Shri Rajagopalachari: This Department, as I have said, is concerned with corruption among servants of the Government of India, wherever they may be. They are in the States also, many of them. But they are Government servants of the Government of India. The trial would be before the courts of the State, but the departmental investigation would be by the Government of India. The police work under the Government of India in respect of servants of the Government of India.

Shri T. N. Singh: In view of the fact that both inside the House and outside, various criticisms regarding the departmental rules of disciplinary action etc. have been made, have Government so far made up their mind to modify the rules of discipline, demotion, promotion etc.?

Shri Rajagopalachari: The rules are very good, I might assure hon. Members. But the enquiry procedure has been dilatory, because of the large amount of concessions given in terms of natural justice, in such enquiries. Government is seriously trying to reduce that dilatory part of the matter, and to make the procedure more easy, but without prejudice to the persons concerned.

Shri Dwivedi: I want to know whether the policy of the Government of India and of the States in the Union with regard to anti-corruption measures are uniform or not.

Shri Rajagopalachari: The question is very general. The policy with regard to anti-corruption measures is definite and clear, that we do not want corruption.

Shri Amolakh Chand: May I know whether Government would be prepared to place the report of the Bakshi Tek Chand Committee on the Table of the House or circulate it among the Members?

Shri Rajagopalachari: I have already said—in very clear language I thought—that this committee has not yet submitted its final report.

Mr. Deputy-Speaker: We now go to the next question. Already we have spent 10 minutes on this one question, because of its importance. But if necessary, hon. Members can bring it up for half-an-hour discussion later.

Immovable Property of Government in Delhi

*417. **Shri Sidhva:** Will the Minister of Finance be pleased to refer to my starred question No. 4678 in the last session and state:

(a) whether he has compiled a statement of the immovable properties owned by the Government of India in Delhi and other places;

(b) if so, will a statement be placed on the Table;

(c) if not, what is the reason for the delay; and

(d) whether any register was kept of these properties in the past; if so, when was it started?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). The compilation of the statement has not yet been completed. A copy of the statement will be laid on the Table as soon as it has been completed.

(c) The information is not available in a consolidated form in any one place. It has to be collected by a reference to the various authorities all over the country, and this obviously takes considerable time and labour.

(d) No register is maintained centrally but a record of buildings is kept in the individual offices.

Shri Sidhva: This question was given notice of 5½ months ago. May I know the cause of the delay in getting the information from the various centres? I would also like to know why regarding the capital city of Delhi itself [which I have mentioned in part (a) of the question] they could not get the information. Is there no record also of the properties of Government even in Delhi?

Mr. Deputy-Speaker: He has said that the compilation is not yet complete.

Shri C. D. Deshmukh: There are several considerations involved. The labour involved is stupendous and they are scattered all over the places. It was never indicated that information in regard to properties in Delhi should be furnished ahead of other information. Many Ministries have furnished the details but the Ministries of Defence and W.P. & S. have not yet been able to do so. The Defence Ministry have stated that the collection of this information will take considerable time and labour, as it has to be called for from the various units and formations spread all over the country. The W.P. & S. Ministry feel that it will not be possible to give this information with any degree of accuracy. Both Ministries have promised to send us the reply shortly.

Mr. Deputy-Speaker: The information so far collected may be placed on the Table of the House, if it is available with the Minister now.

Shri C. D. Deshmukh: I have no objection but it excludes the two important Ministries who hold a lot of property.

Mr. Deputy-Speaker: It does not matter. Hon. Members are so impatient that they may not wait till the complete compilation takes place. So whatever has been so far collected may be placed on the Table.

Shri C. D. Deshmukh: I have no objection to placing before the House whatever has been compiled so far.

Shri Sidhva: Merely placing on the Table whatever information is available will not serve the purpose. As I understood from the hon. Minister, there is no record of the properties of the Government. Could anybody be unaware, even Mr. Deshmukh, of the amount of property he owns. Every big landlord knows how much he owns and the Government of India have no record of their properties. Is it not a serious matter? Therefore I would like to know what steps Government intend to take to see that its record of their properties is complete. It is the people's property.

Mr. Deputy-Speaker: The hon. Member must have followed the answer. There was no record before 1947 and a compilation is being made now and as far as it is available the hon. Minister has undertaken to place it on the Table. If however the hon. Member is prepared to wait until it is completed, he has no objection.

सेठ गोविन्द दास : तो क्या यह मान लिया जाय कि भारत सरकार के पास, स्वयं के पास इस प्रकार का कोई लेखा नहीं है कि जिस से इस बात का पता लगे कि देश में उन की स्थावर संपति कितनी है ?

[Seth Govind Das: Should we then take it that the Government of India have no such record with them by which one would be able to know the extent of immovable properties they own in the country?]

श्री सी० डी० देशमुख : एक जगह नहीं है, मुकाम वास २ में मौजूद हैं।

[Shri C. D. Deshmukh: These are not kept at any one place but are kept at different places.]

सेठ गोविन्द दास : मैं जानना चाहता हूं कि उस के एकीकरण करने में इतना विलम्ब क्यों किया जा रहा है ?

[Seth Govind Das: I would like to know why their consolidation is being delayed so long?]

Mr. Deputy-Speaker: He has already explained that they are taking time over the compilation.

Shri Sidhva: Do the Government of India know what is the total value of the property they own?

Shri C. D. Deshmukh: This is asking the question in another form.

Mr. Deputy-Speaker: The properties are in outlying stations and they are compiling a Central list. To some extent they have compiled it and they have no objection to place it on the Table. If however the hon. Member is prepared to wait until it is completed they have no objection.

MEDICAL SUPPLIES BY W.H.O. TO INDIA

*418. **Shri Sidhva:** Will the Minister of Health be pleased to state:

(a) whether the World Health Organization have arranged for supply of medical aid to India;

(b) if so, whether any medical supplies have been received; if so, the kind of supplies received and their total value; and

(c) the way in which they have been distributed?

The Minister of Health and Communications (Rajkumari Amrit Kaur): (a) to (c). Attention of the hon. Member is invited to the replies given to Starred Question No. 334, dated the 8th August 1950 by Shri Satish Chandra and No. 4792, dated the 2nd June, 1951 by Pandit Upadhyay regarding W.H.O. assistance to India. From these replies it will be seen what type of help is forthcoming from W.H.O.

The Executive Board of the W.H.O. have, however, authorised a sum of $30,000 for procuring emergency supplies to be furnished as a free gift for the famine affected State of Bihar. This amount will be used for the purchase of 200 tons of bleaching powder at an estimated cost of $ 25,000 and the surplus utilised for the purchase of multi-vitamin tablets. One hundred tons of bleaching powder have been supplied to Bihar and the W.H.O. are making arrangements for further supplies to Bihar of 100 tons of bleaching powder and multi-vitamin tablets worth $ 5,000 approximately.

Shri R. Velayudhan: May I know whether there is any unnecessary delay in sending replies to the W.H.O. in the Health Ministry regarding the supplies?

Rajkumari Amrit Kaur: I cannot understand the question.

Mr. Deputy-Speaker: He wants to know whether it is due to any delay on the part of the Government of India that further consignments of help are not obtained from the W.H.O.

Rajkumari Amrit Kaur: There is no delay whatsoever.

RECOMMENDATIONS OF I.N.A. INQUIRY AND RELIEF COMMITTEE

*419. **Shri Kamath:** Will the Minister of Defence be pleased to state:

(a) whether Government have finalized their decision as regards the suggestions and demands made by the I.N.A. Inquiry and Relief Committee under the chairmanship of Major General J. K. Bhonsle last April or May; and

(b) if so, which of their demands have been accepted, and which rejected?

The Minister of Defence (Sardar Baldev Singh): (a) and (b). I would invite the attention of the hon. Member to the replies given by me to Starred Questions Nos. 4000 on the 9th May 1951, 4087 on the 12th May 1951 and 4673 on the 30th May 1951.

Shri Kamath: During this intersession period, that is since Parliament was prorogued on the 9th June, have Government given further thought to the suggestion thrown out by the Deputy Minister in the last session of Parliament that with a view to considering these matters a joint conference of the Finance and Defence Ministries might be considered by Government?

Sardar Baldev Singh: As far as I know there was only one question which was to be taken up with Finance and that was the exemption of donations to I.N.A. funds from liability to payment of income-tax. That matter has been taken up with the Finance Ministry.

Shri Kamath: What about the other question? There was a demand or representation by the I.N.A. Committee to the effect that arrears of pay and allowances of the I.N.A. officers and men from the date of their capture in 1942 till the date of their discharge from the Indian army in 1947 should be paid.

Sardar Baldev Singh: If my hon. friend will study the statement made by the Prime Minister in this connection he will know that the arrears were taken into consideration before that announcement was made.

Shri Kamath: Is there any proposal before the Government to make use of the services of the I.N.A. officers and men at the present time?

Sardar Baldev Singh: The Government has made use of quite a number of officers and men and there is no bar, as I have already stated, but their enrolment in the army is governed by several factors.

Thakur Krishna Singh: What are those factors?

Sardar Baldev Singh: It is a long list. They should be within a certain age limit and that is one of the main considerations. But as far as the employment of I.N.A. personnel as such is concerned there is no bar at present.

Sardar Hukam Singh: Have Government come to any decision about taking into consideration the length of service that any particular I.N.A. officer had put in, when he is now being absorbed in the regular army? During the last session we were told that this was under consideration. The I.N.A. officers were taken on their substantive commissions but the length of service and the promotion they would have got were not taken into consideration at that time and that, we were told, was being considered. May I know whether Government have come to any decision on the matter?

Sardar Baldev Singh: It is not a general question. Individual cases are considered on their merits. This I believe is being done but I cannot be quite definite. As I have said it depends on individual cases.

Shri Kamath: Is it a fact that in the case of I.N.A. officers who might be considered for reinstatement in the Army their rank would not be the same as what it might have been had their seniority during this period been taken into consideration?

Sardar Baldev Singh: That is quite true and it was made quite clear in the statement which the hon. Prime Minister made on the floor of this House.

Dr. Ram Subhag Singh: May I know whether any help has been rendered to I.N.A. men who did not originally belong to the Indian Army?

Sardar Baldev Singh: I don't think it concerns me. It must be the concern of some other Ministry, most probably the Home Ministry; I am not concerned with those I.N.A. personnel who did not belong to the armed forces.

Shri R. K. Chaudhuri: Is it a fact that some of these I.N.A. officers who have not been taken in were punished on flimsy grounds such as not buttoning the coat?

Sardar Baldev Singh: For not buttoning the coat? I don't know what the hon. Member means but it is difficult for me to say.....

Thakur Krishna Singh: May I know how many of the I.N.A. officers have been taken into the Army so far?

Sardar Baldev Singh: That figure was given in the last session.

Unregistered Foreign Dentist in Delhi

*420. **Shri Kamath:** Will the Minister of **Health** be pleased to state:

(a) whether the inquiry by the Delhi administration in regard to the unregistered foreign dentist practising in Delhi has been completed; and

(b) if so, what action has been taken against him under the Dentists' Act, 1948?

The Minister of Health and Communications (Rajkumari Amrit Kaur): (a) and (b). Yes. The foreign dentist in question has since acquired Indian citizenship and is thus entitled to registration. He will get himself registered as soon as the Delhi State Dental Council is set up. Government do not propose to take any action against him as he has committed only a technical breach of the law.

Shri Kamath: Is it not a fact, Sir, that so far as the Act was concerned a definite date was prescribed for the acquisition of either Indian domicile or citizenship, and was there any provision in that Act so as to enable any dentist to acquire such domicile or citizenship after that date?

Rajkumari Amrit Kaur: Yes. But it is open to anybody to acquire Indian citizenship at any date. As a matter of fact, he applied for citizenship before the date of expiry but he was not able to get the legal transaction through and therefore by the time he got his Indian citizenship he had to apply to the Delhi State Council; that State Council was not in existence and therefore it was not possible to give him the registration.

Shri Kamath: Did I hear the Minister to say, Sir, that this foreign dentist had applied for Indian citizenship before the expiry of the date?

Rajkumari Amrit Kaur: Yes, he had.

Shri Kamath: What was the date on which he applied?

Rajkumari Amrit Kaur: Well, it was before the end of March, 1951.

Shri Kamath: Was it after the 26th March, 1951 because the period expired on the 28th March, 1951?

Rajkumari Amrit Kaur: I believe he had applied for citizenship in January, 1951.

CHAIR OF POLITICAL SCIENCE AND INTERNATIONAL LAW IN DELHI UNIVERSITY

*421. **Shri Kesava Rao:** Will the Minister of **Education** be pleased to state:

(a) whether it is a fact that the Delhi University has asked the Government to permit them to open a Chair of Political Science and International Law in the University;

(b) what is the estimated annual expenditure for working this department;

(c) whether it is a fact that Mr. Watumal has promised some amount for this purpose; and

(d) if so, what is the amount promised?

مسٹر آف ایجوکیشن مولانا آزاد: (اے) ہاں- دہلی یونیورسٹی نے ایسی درخواست دی ہے اور گورنمنٹ اس پر غور کر رہی ہے-

(بی) اس بات پر ٹھیک ٹھیک کتنا خرچ ہوگا اس کی ابھی پوری جانچ پڑتال نہیں ہوی ہے لیکن وائس چانسلر کا خیال ہے کہ پندرہ ہزار چھ سو روپیہ برس وار خرچ ہوگا -

(سی) اور (ڈی) واٹومل فاونڈیشن نے تین ہزار روپیہ سالانہ دو برس کے لئے آفر کیا ہے لیکن اسے ایک خاص کام میں خرچ کرنے کی شرط بھی لگا دی ہے - یعنی پولیٹیکل سائنس کے جو لیکچرر اس وقت یونیورسٹی میں ہیں ان کی تنخواہ اس سے بڑھائی جائے -

[The Minister of Education (Maulana Azad): (a) The Delhi University has asked Government for permission to start a Department of Political Science and International Affairs. The request is under consideration.

(b) The exact details of the proposal have not been worked out but the proposal, as submitted by the Vice-Chancellor of the University, envisages an estimated annual ultimate recurring expenditure of about Rs. 15,600.

(c) and (d). The Watumull Foundation has offered Rs. 3,000 per annum for two years but it is earmarked for increasing the salary of the present lecturer in Political Science.]

Shri Kesava Rao: May I know when the Delhi University first sent its report for opening this department?

مولانا آزاد : اس کا میں نے ابھی جواب دیا کہ اس کا جواب ہاں ہے- دہلی یونیورسٹی نے درخواست دی ہے اور وہ انڈر کنسیڈریشن ہے -

[Maulana Azad: I have replied just now that the answer is in the affirmative. The Delhi University has made the request and it is under consideration.]

Shri Kesava Rao: When was it sent?

مولانا آزاد : نہیں - میں تاریخ ابھی نہیں بتا سکتا -

[Maulana Azad: No. I am not in a position to give the date just now.]

Shri Kesava Rao: May I know whether it is a fact that some foreign professors have offered to give some lectures if this department is opened here in Delhi?

مولانا آزاد : نہیں - گورنمنٹ کے سامنے کوئی ایسا اخر نہیں آیا ہے -

[Maulana Azad: No. No such offer has been received by the Government.]

सेठ गोविन्द दास : इस प्रकार की राजनीति शास्त्र और अन्तर्राष्ट्रीय कानून की कोई सीट और दूसरे विश्वविद्यालयों में है क्या, और अगर है तो किन किन विश्वविद्यालयों में है ?

[Seth Govind Das: Is there any chair of Political Science and International Law in any of the other universities? If so, in which of them?]

مولانا آزاد : میں اس کا اس وقت جواب نہیں دے سکتا -

[**Maulana Azad**: I cannot answer this question at this time?]

डा० राम सुभाग सिंह : वाटूमल फाउन्डेशन ने इस रुपये से राजनीति शास्त्र के अध्यापक की तन्खाह बढ़ाने की जो शर्त रक्खी है उस में सरकार को क्या एतराज है ?

[**Dr. Ram Subhag Singh**: What objection have the Government got to the condition laid down by the Watumull Foundation that the sum should be used for increasing the salary of the present Lecturer in Political Science?]

مولانا آزاد : کوئی سوال اعتراض کا نہیں ہے - سوال میں یہ پوچھا گیا تھا کہ کیا اس فاونڈیشن سے کچھ روپیہ آفر کیا گیا ہے ؟ جواب میں یہ بات بتلائی گئی ہے کہ جو روپیہ انہوں نے دیا ہے وہ ایک خاص کام کے لئے دیا ہے - دلی یونیورسٹی کی اس نئی تجویز کے لئے یہ روپیہ کچھ فائدہ نہیں دے سکتا -

[**Maulana Azad**: There is no question of any objection. It was asked in the question whether any amount had been offered by that Foundation. In reply it was stated that the amount which they had offered was earmarked for a particular purpose. It will not help us in any way so far as this new scheme of the Delhi University is concerned.]

Shri Kesava Rao: May I know whether it is a fact that on the recommendation of the University Education Commission the Central Government has asked all the Universities in the country to open this department?

مولانا آزاد : ہاں-

[**Maulana Azad**: Yes.]

REGULATION OF STOCK EXCHANGES

*422. **Sardar Hukam Singh**: Will the Minister of **Finance** be pleased to state:

(a) whether it is a fact that a Committee has been set up to assist Government in formulating legislation for the regulation of stock exchanges and of contracts in securities; and

(b) if so, what are its exact terms of reference?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes, a Committee was set up in June last and has since completed its work.

(b) The terms of reference of the Committee were:

(1) to consider and report on the draft proposals of the Government;

(2) to submit a revised draft bill with a memorandum explaining in brief the reasons for each clause of the bill; and

(3) to make any other recommendations on the subject.

RECOMMENDATIONS OF STOCK-EXCHANGE AND CONTRACTS REGULATION COMMITTEE

*429. **Shri Jnani Ram**: Will the Minister of **Finance** be pleased to state:

(a) whether the Committee appointed by Resolution No. 7(85) F-1/51 to advise the Government in formulating legislation for the regulation of stock exchanges and of contracts in securities has submitted its report;

(b) if so, when;

(c) what are the main recommendations of the Committee; and

(d) what steps have been taken on the various points of the Committee's recommendations?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes, Sir.

(b) The Report was submitted by the Committee on the 14th July 1951, and was received by the Government of India on the 16th July.

(c) A copy of the Committee's Report and a summary of their main conclusions and recommendations will be laid on the Table of the House.

(d) The recommendations made in the Report are under the consideration of the Government of India.

Sardar Hukam Singh: Will it be possible to bring in legislation in this session of Parliament?

Shri C. D. Deshmukh: The hon. Member's guess is as good as mine. It is very unlikely I think that time will be found for legislation in this matter.

Shri Jnani Ram: May I know the chief centres where dealings in stocks and shares are mainly done?

Shri C. D. Deshmukh: Bombay and Calcutta.

Shri Hussain Imam: May I know whether the report is unanimous or is there any note of dissent?

Shri C. D. Deshmukh: If hon. Members will wait for the report to be laid on the Table of the House, they will get this and other information.

CIRCULATION OF NOTES

*423. **Dr. M. V. Gangadhara Siva:** (a) Will the Minister of **Finance** be pleased to state how many one-Rupee notes are in circulation?

(b) How many one-Rupee notes have been withdrawn and destroyed and is the process of withdrawal still continuing?

(c) Is it a fact that the circulation of one-Rupee note is not included in the Reserve Bank statement?

(d) Have Government received recently any complaints with regard to the shortage of small change from any part of the country?

(e) What is the capacity of the mint at Bombay and the mints at Madras and Calcutta?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). Separate figures for one rupee notes in circulation are not published, as One Rupee Notes are deemed to be included in the expression "rupee coin" for all the purposes of the Reserve Bank of India Act, 1934.

(c) Yes, Sir.

(d) No, Sir.

(e) There is no Mint at Madras. The approximate installed coinage capacity of the Mints at Bombay and Alipore (Calcutta) is:

Bombay: 8½ lakh pieces per day.

Alipore (Calcutta): 12 lakh pieces per day.

Shri R. Velayudhan: May I know whether it has come to the notice of Government that there is minting of counterfeit notes of Rs. 100 denomination in the Travancore-Cochin State?

Shri C. D. Deshmukh: I require notice of the question. Cases of counterfeiting do come to notice occasionally, but whether there is any such case from the Travancore-Cochin State I cannot say at the moment.

Dr. Gangadhara Siva: May I know what is the output of small coins of all denominations?

Shri C. D. Deshmukh: I think the hon. Member probably wants the present daily coinage output.

Mr. Deputy-Speaker: He has already answered. It is 8½ lakh pieces in Bombay and 12 lakh pieces in Alipore.

Shri Hussain Imam: Can Government give any statement in regard to the number of one-rupee notes issued during the last financial year?

Shri C. D. Deshmukh: No separate figures are given out.

Dr. Deshmukh: May I know if there is any period of life fixed for the one-rupee notes and whether it has come to the notice of Government that it is very difficult to exchange many soiled notes?

Shri C. D. Deshmukh: The period is about fifteen months and when these notes return from circulation they are examined from time to time and a judgment is arrived at as to whether they are fit for being put into circulation again. It may be that sometimes a wrong judgment is made and a note which ought not to go into circulation is put into circulation. Generally, this matter is attended to.

Shri Sidhva: In regard to (d), the hon. Minister replied in the affirmative, that is to say, there was a shortage of small coins. May I know what is the cause of this shortage?

Shri C. D. Deshmukh: I replied in the negative!

Shri R. Velayudhan: May I know whether there is any procedure for taking action and enquiring into the matter whenever there is a case of counterfeiting of coins or notes? Since the Finance Ministry here is responsible for currency, have they got any such procedure?

Mr. Deputy-Speaker: Wherever there is a wrong done, there are always rules of procedure.

Shri A. C. Guha: Are we to understand that the two mints whose capacity the hon. Minister has given are working to their full capacity?

Shri C. D. Deshmukh: No, Sir. I will give the present daily output. Bombay—6 lakh pieces per day; Alipore—1 lakh pieces per day. The low output is due mainly to lack of demand for small coins.

Dr. Deshmukh: May I know if there are any instructions issued to particular banks for compulsorily receiving soiled notes of one-rupee denomination and returning good ones in exchange? Has it been made incumbent upon them?

Shri C. D. Deshmukh: I am not aware of any authority with banks to do so.

Dr. Deshmukh: Not even the Imperial Bank?

Shri C. D. Deshmukh: These notes finally find their way to the Reserve Bank Issue offices and then from there .....

Mr. Deputy-Speaker: He wants to know whether any facilities are provided for exchange of old notes.

Shri C. D. Deshmukh: I said no.

Shri A. C. Guha: The hon. Minister has stated just now that out of the capacity for 12 lakh pieces only one lakh are being produced in Calcutta. May I enquire whether the staff and the establishment charges have been proportionately reduced or are they being maintained at the old rate?

Shri Deshmukh: The figures of output I gave were for small coins whereas the question refers to one-rupee coins also, so that the two figures are not comparable. Obviously, the capacity that is not taken up by small coins is used up for the minting of one-rupee coin.

Shri A. C. Guha: I want to know what is the total out-turn per day including one-rupee coins?

Shri C. D. Deshmukh: I have not got that figure with me.

Dr. Deshmukh: Since there is no arrangement made for the exchange of bad notes with good ones, does the hon. Minister know that people are being put to a good deal of loss. Will he be prepared to consider this question?

Shri C. D. Deshmukh: I will be, Sir.

Shri Shiv Charan Lal: In view of the answer given by the hon. Minister that no separate figures are kept for one-rupee notes and one-rupee coins, may we know whether no separate figures are kept at all; if so, why?

Shri C. D. Deshmukh: Separate figures there are; they are not published.

SECURITIES FROM NEWSPAPERS

*424. **Dr. M. V. Gangadhara Siva:** Will the Minister of **Home Affairs** be pleased to state:

(a) the number of newspapers in Centrally Administered Areas from which securities have been demanded since 15th August 1948; and

(b) the number of newspapers that have ceased publications consequent upon the demand of security?

The Minister of Home Affairs (Shri Rajagopalachari): (a) 44. The demand was withdrawn in the case of seven of these.

(b) One cannot be sure of the causes contributing to the cessation of some of these papers from which security was asked. It may be possible to collect the information about actual cessation and information is being collected and will be laid on the Table of the House in due course.

Dr. M. V. Gangadhara Siva: Will the hon. Minister be pleased to state State-wise the newspapers from which security was demanded?

Shri Rajagopalachari: If he would ask me about a particular State, I will be able to give the names.

Dr. M. V. Gangadhara Siva: Madras.

Shri Rajagopalachari: But Madras is not a Centrally Administered Area!

Dr. M. V. Gangadhara Siva: In how many cases was security demanded?

Shri Rajagopalachari: 44 cases.

Shri Kamath: Is it a fact that in the course of his recent address to the Executive of the All India Newspaper Editors' Conference which met in New Delhi last week-end the Home Minister indicated that the practice of demanding security *ab initio* from newspapers would be discontinued as also the practice of pre-censorship of newspapers?

Shri Rajagopalachari: The whole matter will be the subject of discussion in the House over the Bill that I will introduce.

Shri Kamath: With regard to those newspapers from which securities were demanded or whose securities were forfeited later on by the executive, in how many such cases were the orders for demand of security or forfeiture of security set aside by judicial authority?

Shri Rajagopalachari: Presuming that the question asked relates to Centrally Administered Areas, the orders were withdrawn as I said in seven cases and as far as the information with me goes there was no question of any court order.

Shri Kamath: Was any such order referred at all to the High Courts by the papers concerned and were all those orders upheld by the High Courts?

Shri Rajagopalachari: I have a list of forty-four cases in which security was demanded. In 7 cases they were withdrawn by Government. There was no case which went up to the High Court.

Shri T. N. Singh: May I know whether there are any cases in which security was demanded for the second time after the forfeiture of the first security, and if so, how many are they?

Shri Rajagopalachari: I am sorry I have not got the information here about demand of security for the second time. I did not think that question would be asked.

Dr. Ram Subhag Singh: In how many cases were the security forfeited.

Shri Rajagopalachari: I would ask for notice of that question.

Shri Kamath: Has Government taken a decision on the appointment of a Commission to enquire into these press matters as indicated by the Prime Minister last session: or will Government be content with introducing a Bill this session?

Shri Rajagopalachari: On the question of objectionable matter covering the whole field I am bringing a Bill. In fact I am very anxious to do it as soon as possible.

Shri Sarangdhar Das: May I know, Sir, whether these demands for security deposits are referred to press advisory committees in the various States, or some other body?

Shri Rajagopalachari: In most of the States the press advisory councils are actively cooperating.

Financial Assistance to States

*425. **Dr. Deshmukh:** (a) Will the Minister of Finance be pleased to state whether any of the State Governments have asked for financial assistance from the Government of India for projects of irrigation, industrialization and electrification for smaller schemes costing less than two crores of rupees?

(b) What are such schemes and what is the total cost of each scheme and what is the financial help each State has asked for?

(c) Has any decision been taken by Government in each case?

(d) Are there any pending cases?

(e) Is it the policy of Government to give priority to smaller and manageable schemes over bigger projects which are likely to take longer time?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes, Sir.

(b) to (d). A statement of such schemes with all the details asked for is being compiled and will be laid on the Table of the House when ready. It has not been possible to have this statement ready yet as this has to include most of the requests for assistance under Grow More Food scheme revived since 1949.

(e) Yes, Sir; that is the policy in general, but due consideration has also to be given to existing commitments. In any case priorities will henceforth be determined with reference to the recommendations of the Planning Commission.

Dr. Deshmukh: May I know, Sir, if the Finance Ministry has started giving effect to the recommendations of the Planning Commission in any shape or form, so far as these projects are concerned?

Shri C. D. Deshmukh: Yes, some decisions have been taken in regard to schemes included in the plan.

Dr. Deshmukh: May I know what amount has been set apart for this purpose so far?

Shri C. D. Deshmukh: The allocation is Rs. 7·5 crores for schemes other than Grow More Food Schemes.

सेठ गोविन्द दास: क्या इस बात का भी ध्यान रखा जाता है कि यह सहायता हर प्रदेश को प्राप्त हो सके और इसका लाभ कोई विशेष प्रदेश न उठावे।

[**Seth Govind Das:** Is any consideration being given to the principle that every State should get its due share of this assistance and that no particular State should derive undue benefit?]

श्री सी० डी० देशमुख: यह तो जरूर ध्यान में रखा जाता है कि किसी खास प्रदेश को ज्यादा लाभ न हो।

[**Shri C. D. Deshmukh:** It is certainly kept in view that no particular State gets more than its due share of the benefit.]

सेठ गोविन्द दास: पर क्या अर्थ मंत्री जी को यह मालूम है कि ध्यान रखने पर भी प्राय: ऐसा नहीं हो रहा है।

[**Seth Govind Das:** But does the hon. Minister of Finance know that in spite of that consideration being there, this is not being done generally?]

Mr. Deputy-Speaker: That is only argumentative.

श्री द्विवेदी : मैं यह जानना चाहता हूं कि क्या दिल्ली, अजमेर और कुर्ग के अलावा केन्द्र द्वारा शासित प्रदेशों को भी इस सम्बन्ध में कोई सहायता दी जा रही है। मैं कोई खास रकम नहीं पूछना चाहता। मैं यह जानना चाहता हूं कि क्या कोई सहायता दी जा रही है या दी जाने वाली है।

[**Shri Dwivedi:** I would like to know whether any assistance is being given in this connection to the Centrally Administered Areas other than Delhi, Ajmer and Coorg? I do not ask for figures, but what I want to know is whether any such assistance is being given or is proposed to be given.]

श्री सी० डी० देशमुख : अगर वहां भी ग्रो मोर फूड स्कीम हो तो वहां भी मदद दी जायगी।

[**Shri C. D. Deshmukh:** They would certainly be given such assistance if they have any 'Grow More Food' Scheme there.]

Shri Shiv Charan Lal: When the information is collected and the statements are prepared, may we request that they may be circulated to members, because it is an important matter.

Shri C. D. Deshmukh: I shall be glad to circulate it to hon. Members.

Dr. Deshmukh: Could the hon. Minister tell me what is the share of Madhya Pradesh from this 7½ crores?

Shri C. D. Deshmukh: The allocation has not yet been communicated to the State Governments, because we are awaiting certain details from the States. I think it would be undesirable to give the figure out, unless we are quite satisfied that all the requirements are fulfilled. At a later stage I have no doubt this figure would be available.

INDIAN ARMY PRISONERS UNDER PAKISTAN

*426. **Shri Krishnanand Rai:** Will the Minister of **Defence** be pleased to state:

(a) how many soldiers and officers of Indian and Kashmir Army were taken as prisoners of war by Pakistan in their raids in Kashmir after cease-fire; and

(b) how many of them have been released in exchange or otherwise to date and how many of them are still in their detention?

The Minister of Defence (Sardar Baldev Singh): (a) 13 Other Ranks were captured by Pakistan since the 1st January 1949.

(b) All of them have since been released.

Shri Krishnanand Rai: May I know Sir, whether the cases of such Indian army men who were taken prisoners by Pakistan after cease-fire have been referred to U.N.O. and, if so, with what result?

Sardar Baldev Singh: Such cases which are worth referring to U.N.O. are referred to U.N.O. observers here.

Shri Krishnanand Rai: I would like to know whether these cases have been actually referred.

Sardar Baldev Singh: I cannot say off-hand whether these cases were referred—some of them might have been.

Shri Krishnanand Rai: What is the total number of Indian army men in the custody of Pakistan at present, notwithstanding the fact that they have been taken prisoners before the cease-fire or after the cease-fire.

Sardar Baldev Singh: I have not got that information with me here; but speaking from memory—of course, subject to correction—I think there is not anybody in Pakistan's custody at present. If there are any, it may be just two or three—not more than that I am not quite certain about it.

Shri Krishnanand Rai: May I know whether Government has any knowledge of the whereabouts and welfare of those men who are in custody of Pakistan at present?

Sardar Baldev Singh: I am afraid it will not be possible for me to answer this question. If the hon. Member wants to know the details, I will have to ask for notice of the question.

Shri T. N. Singh: In answer to part (b) of the question, it was stated that the army men taken prisoners by Pakistan have been released. May I know if they have been released in exchange—as the question asks—or have they been released irrespective of any exchange having taken place.

Sardar Baldev Singh: I have not got definite information. If the hon.

Member wants to know whether they were released in exchange or voluntarily released by Pakistan, I would like to have notice of the question.

Shri Ghule: May I know whether there are any Pakistani army officials who are in the custody of the Indian Army?

Sardar Baldev Singh: I would like to have notice of that question. Our policy is, after making due enquiries, to release such persons whose conduct is not found unsatisfactory.

Shri T. N. Singh: On a point of privilege, Sir. Part (b) of the question specifically asks whether they have been released in exchange or otherwise. I am therefore entitled to know the full facts about this. The hon. the Defence Minister has not clarified the position in spite of my supplementary question.

Sardar Baldev Singh: As I stated I have not got specific information on that. My impression is that they have all been released without any exchange.

Shri Kamath: Does this small number of 14 or 19 include the reportedly large number who were captured from the garrison at Skardu.

Mr. Deputy-Speaker: That was before the cease-fire: this relates to prisoners captured after cease-fire.

Shri Kamath: Are figures not available of prisoners before the cease-fire?

Mr. Deputy-Speaker: How is it useful now?

Shri Kamath: Why not, Sir.

Sardar Baldev Singh: This information was given in reply to another question—I am afraid I have not got that figure now. That figure, if I remember aright was in the neighbourhood of 700. But all those have been released except perhaps one or two. This very question was replied to in the last session. I have not got the exact information with me just now.

Mr. Deputy-Speaker: All of them have been released with the exception of one or two.

Shri Kamath: All those before Cease Fire also?

Mr. Deputy-Speaker: Yes.

Babu Ramnarayan Singh: The hon. Minister says that he does not know whether *all* the cases have been referred to the U.N.O. But I want to know what is the basis for his saying that some cases *must have been* referred to it.

Mr. Deputy-Speaker: That is the practice. He is not in a position to say whether these cases have been referred to or not. The usual practice is that all important cases are referred. That is the answer.

Next question.

Income-tax Arrears

***430. Shri Jnani Ram:** Will the Minister of **Finance** be pleased to state:

(a) the comparative figure of arrears of income-tax on 31st March of the last five years with total figure of assessments;

(b) the amounts remitted in those years;

(c) the total arrear as on the 30th June, 1951; and

(d) the amount proposed to be remitted out of this arrear?

The Minister of State for Finance (Shri Tyagi): (a) to (c). A statement giving the necessary information is placed on the Table of the House. [*See* Appendix IV, annexure No. 2.]

(d) It is yet too early to make an estimate of the amount that may have to be remitted during the current financial year on account of reduction in appeals, revision or otherwise.

Shri Jnani Ram: From the statement it appears that there has been a progressive rise in the figures of arrears from 1946-47 to 1950-51. May I know the reasons for the rise?

Shri Tyagi: The arrears are rising on account of shortage of staff. We could not appoint the additional staff in time. It is not easy at once to add to the Income-tax staff because they require a long term of training. It is only then that we can put them into field work. Again every month at the rate of about 5,000 or so we are finding new assessees, and the number of assessees is rising from month to month. Therefore additional staff is needed every year. Further, there have been some old cases. Some of the big cases have been sent to the Investigation Commission which is inquiring into them. Also, there have been other cases of profits made during and after the war days; they were disputed. Therefore, all this accumulation has taken place.

Shri Jnani Ram: May I know the number of additional Income-tax officers appointed in the last two years?

Shri Tyagi: We have been able to have only sixty additional Income-tax officers this year.

Shri Jnani Ram: In the statement supplied the remission figures have been given as on account of reduction or write-off. May I know if the hon. Minister is in a position to give distinctive figures of the amounts remitted due to reduction and for other reasons—that is, separate figures as to how many were due to reduction and how many due to writing off for other reasons? Reduction means reduction in assessment and write-off is for other reasons.

Shri Tyagi: I want notice of the question.

Mr. Deputy-Speaker: He has not got the break-up.

Shri Ghule: What steps are taken by the Government to increase the staff of the Income-tax Department, and is the rise in the number of the staff in proportion to the rise in the number of the assessees?

Shri Tyagi: The rise in the number of the staff is not yet commensurate with the rise in the number of the assessees. But every effort is being made to make up the deficiency in the number of the staff.

Shri Ghule: May I know what steps are taken?

Mr. Deputy-Speaker: He has said that every effort is being made.

Shri Kamath: To what extent has the Minister's policy of collecting arrears of Income-tax, just as the bee collects honey, borne fruit?

Shri Tyagi: The Income-tax Department is still in the process of collecting it.

Mr. Deputy-Speaker: Such questions are very figurative. . . . .

Shri Kamath: I will put a different question. Have the Income-tax officers followed the policy laid down by the Minister as regards the collection, that is to say, just as the bee collects honey?

Shri Tyagi: The reports I am getting from various big stations, for instance Bombay, Calcutta and other places, are good compliments for the nice behaviour of the Income-tax officers towards the assessees and the assessees are mostly satisfied. And I think the tax is being collected to a very large extent on the same lines as indicated in our policy.

Shri Kamath: There is no bee in the bonnet now?

Shri Hussain Imam: May I know if there are assessments pending for 1946-47 yet?

Shri Tyagi: Yes, Sir—I have not got ready figures just now—but there are assessments pending.

Thakur Krishna Singh: May I know in what cases arears of Income-tax are remitted?

Mr. Deputy-Speaker: He wants to know in what cases the arrears are written off or remitted.

Shri Tyagi: When the assessee is not in a position to pay and it cannot be recovered, well, it is written off.

Thakur Krishna Singh: If he has kept his money in the name of his wife and sons, is the remission still made?

Mr. Deputy-Speaker: It is common knowledge that all the sources will be exhausted before the writing off takes place.

Kosi Project

*431. **Shri Jnani Ram:** Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) the amount spent so far for Kosi Project this year; and

(b) whether any additional grant is proposed in view of the Prime Minister's assurance of giving priority to the river of sorrow?

The Minister of Natural Resources and Scientific Research (Shri Sri Prakasa): (a) Amount spent on investigations for Kosi Project during current year to end of June, 1951 including liabilities incurred is approximately Rs. 5·5 lakhs and the total expenditure from the beginning of investigations is approximately Rs. 72·5 lakhs.

(b) If the construction work on the project, which is at present being examined by an Advisory Committee, is sanctioned, an additional grant to the order of Rs. 50 lakhs will be required for the current financial year.

Shri Jnani Ram: May I know the preliminary works which have been done so far?

Shri Sri Prakasa: As the hon. Member knows, we have got seven stages in the project, and the estimates for the first project are ready. This Advisory Committee has been appointed and it is going through the project. It is expected to submit its report by the end of this month. That is where the matter stands.

Shri A. C. Guha: May I know whether this will be a State enterprise or whether the Central Government has also got something to do with this enterprise?

Shri Sri Prakasa: The State Government has offered Rs. 2 crores and the Nepal Government has offered an equal amount.

Shri A. C. Guha: Has the Central Government any responsibility either in the form of execution or in the form of advancing money?

Shri Sri Prakasa: All the money needed over and above this will have to be given by the Central Government.

Shri A. C. Guha: And the execution of the work?

Shri Sri Prakasa: It will be done by us.

Saikh Mohiuddin: May I know how many stages of the project are included in the Five Year plan?

The Prime Minister (Shri Jawaharlal Nehru): Sir, the Kosi Project has not been included in the Five Year plan. It is under consideration. Various difficulties have arisen. First of all, the complete engineering report of certain parts of the plan has not been obtained yet. The other difficulty is that even in regard to the Bihar Government they are not quite clear which of two important projects they prefer. It is partly for them to decide and partly for the Planning Commission as to which can be taken. So the final answer is difficult to give. All that I can say is that we are very anxious to consider it. The importance of this project is very great, but it has to be considered in the context of many things, partly, the Bihar Government's own views in the matter.

WRITTEN ANSWERS TO QUESTIONS

Income-tax on Pensions Payable to U.K.

*427. **Pandit Munishwar Datt Upadhyay:** Will the Minister of Finance be pleased to state:

(a) the total number of former Government Servants of British and Indian Nationality (Civil and Military) getting pensions from India and who are living in U.K.?

(b) the amount of pensions yearly remitted to U.K.?

(c) the amount of income-tax leviable from the 15th of August, 1947 on the total amount of such pensions; and

(d) whether there is any complaint against the levy of income-tax on these pensions, if so on what grounds?

The Minister of Finance (Shri C. D. Deshmukh): (a) Total number of Indian pensioners (both Civil and Military) drawing pensions in U.K. is 16,905.

(b) The amounts of pensions remitted to U.K. in the years 1948-49, 1949-50 and 1950-51 were £7,250,000; £7,155,445 and £7,061,052 or Rs. 9,66,66,666; Rs. 9,54,05,933 and Rs. 9,41,47,360 respectively.

(c) The income-tax leviable from such pensions paid in the period from 15th August 1947 to 31st March, 1951 is estimated to be £1,150,000 or Rs. 1,53,33,333. But actually income-tax was not recoverable from that date as the exemption contained in the Indian Income-tax Act was abolished only in September, 1948 when the Amendment Act was passed.

(d) There have been numerous complaints from pensioners both by letter and in the Press on the ground that India should not have set aside the safeguards in the Government of India Act, 1935 and Indian Income-tax Act, 1922, exempting from tax pensions paid to persons residing out of India. It was further urged that the U.K. Government was morally bound to alleviate hardship. The U.K. Government has recently announced a scheme for compensating the pensioners in the U.K., the colonies and the Dominions.

Land Reforms Acts Passed in States

*428. **Pandit Munishwar Datt Upadhyay:** Will the Minister of Home Affairs be pleased to state:

(a) what are the States in which the *Zamindari* abolition of Land Reforms Acts have been passed by the State legislatures and assented to by the President;

(b) in what States such Acts have been enforced; and

(c) in what States such Acts have not yet been enforced and for what reasons?

The Minister of Home Affairs (Shri Rajagopalachari): (a) Assam, Bihar, Bombay, Madras, Madhya Pradesh and Uttar Pradesh.

(b) Bombay, Madras and Madhya Pradesh.

(c) The Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950, and the Bihar Land Reforms Act, 1950, were brought into force but further action under the two Acts has been stayed by the Supreme Court.

The Assam State Acquisition of Zamindaris Act, 1948, received the assent of the President only on the 27th July, 1951. Information is not available as to whether the State Government have taken any steps so far to put the Act into operation.

INDO-PAKISTAN AGREEMENT REGARDING LIFE INSURANCE POLICIES

*432. **Shri S. N. Das:** Will the Minister of **Finance** be pleased to state:

(a) whether any agreement has been concluded between the Governments of India and Pakistan regarding life insurance policies of Government servants; and

(b) if so, what are its terms?

The Minister of Finance (Shri C. D. Deshmukh): (a) Yes.

(b) It has been agreed on a reciprocal basis, that Life Insurance Policies financed from the Provident Fund Accounts of servants of Provincial Governments (other than the divided provinces) servants of States and Local Bodies who migrated from one country to the other and of those Government servants who retired before partition and subsequently migrated and those who opted finally for one country and subsequently migrated to the other should be re-assigned in favour of the assured and transferred to the persons concerned.

As regards Postal Life Insurance Policies the hon. Member's attention is invited to the reply given in the Parliament on the 17th August, 1951 by the hon. Minister of Communications to the unstarred question No. 64 by the hon. Shri A. C. Guha.

INDIGENOUS SYSTEM OF MEDICINES

*433. **Shri S. C. Samanta:** Will the Minister of **Health** be pleased to state:

(a) what steps have been taken by the Central Government to implement the recommendations of the Pandit Committee on the indigenous system of medicine; and

(b) whether the Drug Research Institute is carrying on research on Ayurvedic, Homoeopathic and *Unani* medicines?

The Minister of Health and Communications (Rajkumari Amrit Kaur): (a) One of the main recommendations of the Pandit Committee is that the proposed Central Research Institute in Indigenous Systems of Medicine should be established in association with the Gulab Kunwarba Ayurvedic Institute at Jamnagar. This has been accepted by Government in principle. The necessary details regarding the administrative machinery, the housing of the Institute and other matters connected with its setting up are being worked out in consultation with the Saurashtra Government. The other recommendations of the Committee are under examination.

(b) The Central Drug Research Institute is carrying on research work on certain medicinal plants used in Ayurvedic and Unani Systems of Medicine. No research is being carried on in Homoeopathic medicines at this Institute.

FOOD GRAIN CONTRIBUTION BY U.N.I.C.E.F.

*434. **Pandit Munishwar Dait Upadhyay:** (a) Will the Minister of **Health** be pleased to state what is the foodgrain contribution so far made through U.N.I.C.E.F. to India?

(b) What amount has come from the Central Fund and how much has come from countries individually?

(c) Is there any condition attached to these contributions in respect of their distribution and consumption and otherwise?

The Minister of Health and Communications (Rajkumari Amrit Kaur): (a) and (b). India has so far received 1,843 tons of rice through U.N.I.C.E.F. —400 tons from Burma and 1,443 tons from Thailand.

(c) A statement is placed on the Table of the House.

Statement

(i) The Government would arrange for and sustain the cost of suitable storage and transport for the supplies from the moment of their reaching India.

(ii) The Government would guarantee that through its own or accredited agencies suitable administrative arrangements are in hand and financial provision made to cover the local handling, preparations and distribution of the meals, etc:

(iii) The Government would guarantee the provision of other items as considered necessary in order to ensure a reasonable balanced diet.

(iv) The Government would give a clear undertaking that any supplies provided by U.N.I.C.E.F. would be used in addition to and not in substitution for any supplies otherwise available from Government sources.

BASIC EDUCATION

*435. **Shri S. N. Das:** Will the Minister of **Education** be pleased to state:

(a) whether any proposal is being considered by Government to appoint an Adviser for basic education;

(b) if so, how long it will take to come to any decision; and

(c) whether there is at present any liaison officer in the Centre to co-ordinate the activities of various States regarding basic education?

The Minister of Education (Maulana Azad): (a) No. The advisory staff of this Ministry includes some officers who are themselves experts in the field of Basic Education. The question of appointing a special officer as Advisor has not, therefore, arisen.

(b) Does not arise.

(c) There is no liaison officer for Basic Education as such but the Education Ministry itself acts as the liaison agency to coordinate the educational activities of the states. It collects progress reports from the State Governments regarding developments in Basic (Primary and Middle) Education for submission to the Central Advisory Board of Education and keeps itself in touch with the activities of the States in this as in other fields.

Audit Reports

***436. Shri T. N. Singh:** Will the Minister of **Finance** be pleased to state:

(a) whether it is a fact that the Ministry of Finance is consulted on the draft audit report and its comments considered by the Comptroller and Auditor General prior to the publication of the reports; and

(b) whether any modifications are usually made in the draft report as a result of such prior consultation?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). The attention of the hon. Member is invited to Articles 268 and 269 of the Audit Code which lay down the procedure for such consultation. The position is that the Finance Ministry is not consulted on the Draft Audit Report as such. But draft paragraphs on matters for which the Finance Ministry is specially responsible or is concerned are usually sent to it for verification of the facts stated therein. It is also open to the Comptroller and Auditor General to ask for the comments of the Finance Ministry on matters falling primarily within the sphere of other Ministries in so far as Finance Ministry may also be concerned. The Comptroller and Auditor General is expected to take into consideration the replies received from the Ministry and modify the draft paragraphs where he considers necessary before the report is finalised.

मध्य प्रदेश की जॉक नदी परियोजना

*४३७. **श्री जांगड़े :** प्राकृतिक संसाधन तथा वैज्ञानिक अनुसंधान मंत्री यह बतलाने की कृपा करेंगे कि :

(क) क्या यह सत्य है कि मध्य प्रदेश की जॉक नदी घाटी परियोजना के भूमापन तथा अन्य प्रारम्भिक कार्य को केवल ३१ जुलाई, १९५१ तक ही जारी रखने की अनुमति दी गई है ; तथा

(ख) जुलाई, १९५१ तक इस नदी घाटी योजना के सम्बन्ध में भूमापन के अतिरिक्त अन्य कौन कौन से कार्य पूर्ण किये जा चुके हैं ?

Jaunk River Project in Madhya Pradesh

[***437. Shri Jangde:** Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) whether it is a fact that the survey and other preliminary work connected with the Jaunk River Valley Project in Madhya Pradesh is allowed to be continued up to the 31st July, 1951 only; and

(b) what other types of work in addition to the survey work done in connection with this River Valley Project have been completed upto July, 1951?]

The Minister of Natural Resources and Scientific Research (Shri Sri Prakasa): (a) No, Sir.

(b) Collection of meteorological, hydrological, silt data with geological and soil surveys are in hand.

Students for Russia

***438. Giani G. S. Musafir:** (a) Will the Minister of **Education** be pleased to state the number of students who applied to Government for permission to go to Russia for studies during the last three years?

(b) How many of such applicants were refused the permission and what are the reasons therefor?

The Minister of Education (Maulana Azad): (a) and (b). During the last three years only five persons have approached the Government of India for permission to go for study to Russia or for information about facilities there. None of them could, however, go as the required facilities were not available.

TEXTILE EXPORT AND IMPORT POLICY

*439. **Dr. V. Subramaniam:** Will the Minister of **Finance** be pleased to state the estimated surplus revenue expected above the budget estimate given for the current year in respect of export of cloth for the months of April to July, 1951?

The Minister of Finance (Shri C. D. Deshmukh): The figures for July, 1951 are not yet available but the actuals for the first three months amounted to Rs. 56 lakhs. It is too early to make a forecast for the whole year on the basis of these figures.

PUNJAB STATE 'HOME DEFENCE' RECRUITMENT

*440. **Sardar Hukam Singh:** Will the Minister of **Home Affairs** be pleased to state:

(a) the number recruited so far in 'Home Defence' in the State of Punjab;

(b) the duties entrusted to this wing of our defence;

(c) the qualifications or merits considered at the time of recruitment to this force; and

(d) the number, if any, recruited out of ex-servicemen?

The Minister of Home Affairs (Shri Rajagopalachari): I do not think at the present juncture it is in the public interest I should state these figures and give the information asked for. I am prepared to give in confidence to the hon. Member all available information.

DUES FROM CO-OPERATIVE BANK, LAHORE

*441. **Sardar Hukam Singh:** (a) Will the Minister of **Finance** be pleased to state whether the dues of the various district Co-operative banks of Punjab (India) lying with the Provincial Bank of Lahore (Pakistan) have been realised or not?

(b) When was the last meeting of the Implementation Committee to settle outstanding matters over division of assets and liabilities between India and Pakistan held?

(c) Was this question of dues recoverable from Co-operative Bank, Lahore discussed?

The Minister of Finance (Shri C. D. Deshmukh): (a) Under the Indo-Pakistan Banking Agreement, pending verification of all claims of depositors, securities of the face value of Rs 1,45,65,500 were to be transferred to the Ambala Central Co-operative Bank by the Punjab Provincial Co-operative Bank Ltd., Lahore. This has been done and it is understood final verification of the residual claims estimated approximately at Rs. 80 lakhs is still being conducted by the Registrars of Co-operative Societies, East Punjab and West Punjab.

(b) and (c). The implementation of the Agreement in respect of the deposits in Co-operative Banks was left to be progressed by the Punjab Partition Committee in consultation with the Registrars of Co-operative Societies, East and West Punjab, and the actual verification of the claims of depositors was entrusted to the two Registrars. It is understood that the two Registrars have met a number of times. They last met in April, 1951, and the work of verification of claims is still proceeding.

DETENUS UNDER PREVENTIVE DETENTION ACT

*442. **Shri Ghule:** (a) Will the Minister of **Home Affairs** be pleased to state what was the total number of detenus detained under the Preventive Detention Act on the eve of the amendment in the Act in the last Session of Parliament?

(b) What was the number of detenus imprisoned between the eve of the amendment of this Act and the middle of July, 1951?

(c) What was the number of those who have been released as a result of the recommendations of the various Advisory Boards during this interval?

The Minister of Home Affairs (Shri Rajagopalachari): (a) 2,714 on 28th February, 1951. In this connection the hon. Member's attention is invited to the reply given to Pandit Munishwar Datt Upadhyay's starred question No. 106 on the 9th August, 1951.

(b) 737 up to 30th June, 1951. Figures in respect of persons detained between 1st July, 1951 to 15th July, 1951 are not available with the Government of India.

(c) 730. Information as to how many of these are from among those referred to in (a) and (b) above is not readily available. In this connection I would invite the hon. Member's attention to the replies given to Pandit Munishwar Datt Upadhyay's and Shri R. Velayudhan's starred questions Nos. 106 and 222, on 9th August, 1951 and 14th August, 1951, respectively.

SMUGGLING OF GOODS OUT OF JABALPUR DEPOT

*443. **Shri Amolakh Chand:** Will the Minister of **Defence** be pleased to state:

(a) whether 19 Tons Ghee and 1012 lbs. milk was smuggled from the Military Supply Farm Depot, Jabalpur in June, 1951;

(b) if so, what action has been taken against the persons responsible therefor;

(c) whether any other cases were detected during the last financial year; and

(d) if so, what action was taken?

The Minister of Defence (Sardar Baldev Singh): (a) Attempts were made to dispose of 15 tins of ghee and about 960 lbs. of milk from the Supply Depot, Jabalpur, and the Military Farms Depot, Jabalpur, respectively.

(b) A J.C.O. of the Supply Depot, Jabalpur is under arrest and an Assistant Supervisor in charge of the Military Farm, Jabalpur, has been suspended. Court of Enquiry has been convened in both the cases and the proceedings thereof are being finalised.

(c) No.

(d) Does not arise.

PROSECUTION FOR TREASON

*444. **Dr. Ram Subhag Singh:** (a) Will the Minister of **Home Affairs** be pleased to state whether any Indians have been prosecuted since the 15th August, 1947 for any attempt made by them to help any foreign country as against the Government of India?

(b) If so, what is their number?

The Minister of Home Affairs (Shri Rajagopalachari): (a) and (b). Infortion is being collected and will be laid on the Table of the House in due course. The replies so far received show that no such prosecution has taken place.

MODE OF VOTING AT GENERAL ELECTIONS

*445. **Shri Alexander:** Will the Minister of **Law** be pleased to state:

(a) whether Government have decided upon the mode of voting in the next General Elections; and

(b) if so, what it is and what steps are taken to educate the common people on the same?

The Minister of Law (Dr. Ambedkar): (a) and (b). Under section 59 of the Representation of the People Act, 1951, at every election where a poll is taken votes are to be given by ballot in such manner as may be prescribed by rules. These rules are at present under preparation.

The Films Division of the Ministry of Information and Broadcasting is bringing out an educational film short depicting scenes illustrative of the actual casting of the ballot by voters into boxes with symbols of candidates. The symbols used in this film will not be included in the list of symbols ultimately approved by the Commission. Radio talks and election rehearsals have also been arranged for the education of the voters.

BULLION EXCHANGE ASSOCIATION

*446. **Shri Amolakh Chand:** Will the Minister of **Finance** be pleased to state:

(a) whether the Bombay Bullion Association off and on declares a state of emergency and thus upsets the gold and silver market;

(b) whether the said Association declared such emergency about four times within the months of June and July, 1951; and

(c) whether the Government of India took any steps to enquire into the matter?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). No, Sir. Since July, 1949 the Bombay Bullion Association has not declared any emergency in terms of bye-law 34 of the Association's Bye-laws. However, on the 11th of June and 16th of July, 1951 the Association took certain remedial measures under bye-law 33-A owing to unhealthy conditions developing in the market as a result of indiscriminate speculation buying and selling of silver by certain members of the Association.

(c) Does not arise. The Association is recognised under the Bombay Forward Contracts Control Act, 1947, and the Government of Bombay are constantly in touch with its activities through their nominees on the Board of Directors.

STATUTORY AND NON-STATUTORY BODIES

*447. **Shri S. N. Das:** Will the Minister of **Law** be pleased to state:

(a) the number and names of statutory and non-statutory bodies of a permanent nature functioning under the administrative control of his Ministry, giving the following information in each case:

(i) the year of their constitution;

(ii) the recurring annual expenditure incurred by them;

(iii) the provision for the audit of their accounts; and

(iv) the method of submission of the report of their activities;

(b) the number and names of such *ad hoc* Committees as were appointed by the Ministry since the 15th August, 1947 and which have finished their work; and

(c) the number and names of *ad hoc* Committees which are still functioning, giving the date of their appointments and the time by which they are expected to finish their work?

The Minister of Law (Dr. Ambedkar): (a) There is no non-statutory body of a permanent nature functioning under the administrative control of my Ministry, and the Income-tax Appellate Tribunal is the only statutory body of a permanent nature so functioning.

(i) It was constituted in the year 1941.

(ii) The expenditure varies from year to year. The budget grant for the current year is Rs. 7,87,700.

(iii) The accounts are audited by the Accountants General concerned.

(iv) Monthly reports of disposal of appeals and applications by the different Benches of the Tribunal are received in the Ministry. In addition an annual administration report is also submitted by the Tribunal to the Ministry. Information relating to the Tribunal is incorporated in the Notes on the activities of the Ministry circulated annually to members of Parliament in connection with the demands for grants.

(b) None.

(c) None.

MEETINGS OF D.V.C.

***448. Shri A. C. Guha:** Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) whether the Government of India have ever asked for the proceedings of the meetings from the D. V. Corporation;

(b) whether the D.V.C. has declined to furnish such proceedings; and

(c) if so, on what grounds and on how many occasions?

The Minister of Natural Resources and Scientific Research (Shri Sri Prakasa): (a) No, Sir.

(b) and (c). Do not arise.

STATES EDUCATION COMMITTEE

***449. Shri V. K. Reddy:** (a) Will the Minister of **Education** be pleased to state whether it is a fact that a Committee has been appointed to inquire into the system of education in the States?

(b) If so, what are the terms of reference of the Committee?

(c) Who are the members of this Committee?

The Minister of Education (Maulana Azad): (a) No.

(b) Does not arise.

(c) Does not arise.

SALE OF OBSCENE LITERATURE

***450. Shri Amolakh Chand:** Will the Minister of **Home Affairs** be pleased to state the steps taken by Government to stop the sale of obscene literature and pictures in the Delhi State?

The Minister of Home Affairs (Shri Rajagopalachari): Offenders are prosecuted under Section 292 Indian Penal Code when a case is detected and the books or pictures are confiscated. Newspapers and periodicals are warned in some cases of this nature by the Press Adviser.

CONCESSION TO INCOME-TAX ASSESSEES

***451. Shri Kishorimohan Tripathi:** Will the Minister of **Finance** be pleased to state the total financial loss to Government if the Income-tax assessees took advantage of the concessions in Income-tax recently announced by the Government?

The Minister of Finance (Shri C. D. Deshmukh): There is no question of any loss of tax. On the other hand Government would stand to gain in tax by speedy assessment of cases and by recovery of outstanding demands. There may be a possibility of some loss in penalty which could have been levied but for the concessions, but no estimate of such penalty is possible as it depends on various factors such as the co-operative attitude of the assessee, the result of appeal, etc.

REPORT OF THE COMMITTEE TO STUDY FLOOD CONDITIONS OF ASSAM

***452. Maulvi Wajed Ali:** Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) whether Government have studied the recent Report of the committee appointed to study the erosion of Dibrugarh Town and flood situation in Assam;

(b) if so, whether the Government of India propose to consider the desirability of making a substantial contribution to the Government of Assam, for carrying out the recommendations of the said committee; and

(c) whether, in view of the recent heavy floods in Assam and the extensive damages and destruction of crops, Government propose to consider any scheme for the training of hill rivers and other such scheme, for prevention of recrudescence of such calamities in Assam?

The Minister of Natural Resources and Scientific Research (Shri Sri Prakasa): (a) Yes, Sir.

(b) The Government of India have not received any proposals from the State Government based on the recommendations of the Committee. The question of contribution will be considered on receipt of such proposals.

(c) The committee suggested 'removal of snags from the beds and pallisading in the reaches where spilling is occuring on a scale endangering the safety of the villages and inundating cultivated lands'. The State Government have already taken necessary action in this respect.

As for long term measures, the C.W.P.C. are already carrying out investigations in connection with the construction of dams on the Dihang and Manas rivers which contribute greatly to the floods. After construction of dams on these rivers the recrudescence of such calamities due to floods will be considerably reduced.

अंडमान द्वीपों में बसाने का कार्य

*४५३. **श्री खापर्डे :** (क) गृह कार्य मंत्री यह बतलाने की कृपा करेंगे कि क्या अंडमान द्वीपों में विस्थापित व्यक्तियों के अतिरिक्त अन्य व्यक्तियों को भी बसाया जा रहा है ?

(ख) यदि हां, तो ऐसे व्यक्तियों की संख्या क्या है और उन्हें क्या सुविधायें दी जा रही हैं ?

(ग) इस द्वीप में चलाये जा रहे कुटीर उद्योगों की संख्या क्या है तथा उन में कितने व्यक्ति कार्य करते हैं ?

(घ) इस क्षेत्र में प्राय: कौन से खाद्यान्नों का उत्पादन होता है तथा इस द्वीप के निवासियों को किस प्रकार का काम दिया जा रहा है ?

Settlement in Andamans

[*453. **Shri Khaparde:** (a) Will the Minister of **Home Affairs** be pleased to state whether in addition to displaced persons, any other people are also being settled in the Andamans?

(b) If so, what is their number and what facilities are being given to them?

(c) What is the number of cottage industries that are being run in this Island at present and how many persons are employed in them?

(d) What foodgrains are generally being produced in this area, and what sort of employment is being given to the inhabitants of the Island?]

The Minister of Home Affairs (Shri Rajagopalachari): (a) Yes. A few Indian evacuees from Burma are also being settled in the Islands.

(b) I would invite the attention of the hon. Member to my answer given on the 14th March, 1951 to part (b) and (c) of Shri A. C. Guha's Starred Question No. 2193.

(c) A beginning has been made with the preparation of palm gur and the making of coir yarn, mats and ropes. These, however, are still in their infancy and provide employment to an insignificant number.

(d) The main food crop of the Andamans is paddy with an annual estimated yield of 2,000 tons. Employment is available in the following fields:

(i) stevedors and technicians in dock establishments;

(ii) labourers and technicians in the forest department and the saw mill;

(iii) labour in the Central Public Works Department; and

(iv) in Government Offices.

U.S. Aid to South-East Asia

***454. Shri A. C. Guha:** Will the Minister of **Finance** be pleased to state:

(a) whether Government have got any information about America's comprehensive programme of aid to South-East Asian countries;

(b) if so, whether India is included in the programme;

(c) if so, what is the programme and the terms of the aid and the amount to be spent; and

(d) whether there is any scheme for adjusting this with the Colombo Plan and our own Five Year Plan?

The Minister of Finance (Shri C. D. Deshmukh): (a) to (c). The Government of India have no official information in regard to America's programme of aid to South East Asian countries.

(d) Does not arise.

HIGH COURT JUDGES

*455. **Shri Shiv Charan Lal:** Will the Minister of **Home Affairs** be pleased to lay on the table of the House a statement showing:

(i) the number of High Court Judges in each of Class 'A', 'B' and 'C' States;

(ii) the arrears of work in each such State at the end of the year 1950-51, and

(iii) what steps Government propose to take to clear off those arrears?

The Minister of Home Affairs (Shri Rajagopalachari): (i) and (ii). A statement is laid on the Table of the House. [*See* Appendix IV, annexure No. 3.]

(iii) In 1950, Government appointed the High Court Arrears Committee to advise them about the steps to be taken to reduce arrears. The report of the Committee, a copy of which was laid on the Table of the House on the 11th August, 1950, and the comments thereon of the State Governments who were consulted, are under the consideration of Government.

WORKING OF COLOMBO PLAN

*456. **Shri D. S. Seth:** (a) Will the Minister of **Finance** be pleased to state whether Government propose to raise Rs. 1,000 crores from internal resources for working the Colombo Plan?

(b) If so, how is this amount to be raised?

(c) Is any help in solving the financial part of the plan expected or promised by other member countries of Commonwealth and if so, in what form?

The Minister of Finance (Shri C. D. Deshmukh): (a) It is the intention of the Central and the State Governments to make resources of that order available from internal resources for financing expenditure on development projects.

(b) It is expected that this amount will be available from budget surpluses of the Central and the State Governments and from borrowings inside the country.

(c) India has received offers of assistance of about Rs. 5 crores from Canada and Rs. 5½ crores from Australia for the first year of the Colombo Plan. The assistance is expected to be received in the form of capital and consumer goods, including wheat. The consumer goods will be sold in India and the sale-proceeds utilised for local expenditure on a number of development projects.

SCHEDULED CASTE STUDENTS IN DELHI

*457. **Shri Sohan Lal:** (a) Will the Minister of **Education** be pleased to state whether there is any reservation of seats in Delhi Government schools and colleges for scheduled-caste students and, if so, what is the percentage?

(b) How many Government and private schools and colleges are running in Delhi (except primary schools)?

The Minister of Education (Maulana Azad): (a) and (b). The information is being collected and will be laid on the Table of the House in due course.

LIQUOR LICENCES FOR DELHI HOTELS

*458. **Shri Sohan Lal:** Will the Minister of **Home Affairs** be pleased to refer to the reply to starred question No. 4686 asked on the 30th May, 1951 and state whether the Delhi Administration has since sanctioned liquor licences for some hotels and if so, what is their number?

The Minister of Home Affairs (Shri Rajagopalachari): Altogether 7 fresh licences were authorised for the year 1951-52, one for an hotel and six for restaurants. By the 30th May, 5 restaurant licences and 1 hotel licence had been actually issued. One restaurant licence has since been issued by the Delhi Administration.

ADVERTISEMENT IN NEWSPAPERS

*459. **Prof. Ranga:** Will the Minister of **Information and Broadcasting** be pleased to refer to the supplementaries raised on starred question No. 87 asked on the 9th August, 1951 regarding Government advertisements to newspapers and state:

(a) how many out of the 640 newspapers are published in English and how many in local languages;

(b) how much out of the money spent on advertisement costs, is paid to English newspapers and how much to local language papers; and

(c) how many of the newspapers in local languages are published in each of the local languages?

The Minister of State for Information and Broadcasting (Shri Diwakar): (a) 158 newspapers are published in English and 484 in local languages.

(b) In the 3 years 1948-49, 1949-50 and 1950-51, the amounts spent on display advertisements in newspapers in the English language were Rs. 7,14,984, Rs. 6,44,261 and Rs. 3,59,651 respectively. The amounts spent on display advertisements in Indian language newspapers for the same years were Rs. 2,76,833, Rs. 3,38,826 and Rs. 2,43,180.

(c) The number of papers placed in the Government of India advertisement list languagewise is as follows:

Hindi	...	110
Urdu	...	74
Gurmukhi	...	12
Marathi	...	48
Gujrathi	...	44
Kanarese	...	25
Tamil	...	47
Telegu	...	20
Malayalam	...	13
Bengali	...	41
Assamese	...	8
Oriya	...	7
Sindhi	...	2
Roman Urdu	...	1
Santali	...	1
Gorkhali	...	1
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Elections in Snow-clad Areas of Punjab

83. Giani G. S. Musafir: (a) Will the Minister of Law be pleased to state whether it is a fact that the areas of Lahaul and Spiti in the Punjab remain snow-clad during most of the year round?

(b) If the answer to part (a) above be in the affirmative, what arrangement do Government propose to make for holding elections in that area simultaneously with the rest of the Union?

(c) If not, when do Government propose to hold elections in that area?

The Minister of Law (Dr. Ambedkar): (a) to (c). From a recent report of the Punjab Government it appears that Spiti is usually snow-bound after August, and Lahaul, after October. The question whether elections in these two sparsely populated regions should be held earlier than January next, or if that is not practicable, what special arrangements should be made for holding the elections in January is being considered by the Election Commission in consultation with the Punjab Government. An announcement will be made as soon as a decision is reached.

Manufacture of Ballot Boxes

84. Shri A. B. Gurung: Will the Minister of Law be pleased to refer to starred question No. 2084 for 10th March, 1951 and state the names of firms, with whom the Government of India have placed orders for preparing ballot boxes for the ensuing general elections in Part C States?

The Minister of Law (Dr. Ambedkar): The Chief Commissioners of all Part C States (except Manipur and Tripura) have placed orders for ballot boxes with Messrs. Godrej and Boyce Mfg. Co. Ltd., Bombay, and the Chief Commissioners of Manipur and Tripura have placed orders with Messrs. Bungo Steel Furniture Ltd., Calcutta. The orders have been placed with the approval both of the Government of India and of the Election Commission.

मध्य प्रदेश की नदियों का भूमापन

८५. **श्री जांगड़े :** प्राकृतिक संसाधन तथा वैज्ञानिक अनुसंधान मंत्री यह बतलाने की कृपा करेंगे कि :

(क) सन् १९४७, १९४८, १९४९ तथा १९५० में मध्य प्रदेश की कौन कौन सी नदियों अथवा जलप्रपातों का सिंचाई सुविधायें देने तथा विद्युत शक्ति उत्पन्न करने के लिये भूमापन किया गया; तथा

(ख) इस भूमापन कार्य के सम्बन्ध में इन वर्षों में कुल कितनी धन राशि व्यय की गई ?

Survey of Rivers of Madhya Pradesh

[**85. Shri Jangde:** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) what rivers or waterfalls in Madhya Pradesh were surveyed in the years 1947, 1948, 1949 and 1950 in connection with the schemes intended

for purposes of providing irrigation facilities and generation of electricity; and

(b) the total amount spent during these years in connection with this survey work?]

The Minister of Natural Resources and Scientific Research (Shri Sri Prakasa): (a) Four rivers, viz. the Narbada, Tawa, Mahanadi and Jonk were surveyed during the years 1948-49, 1949-50 and 1950-51. No rivers were surveyed in 1947-48.

(b)	1948-49	Rs. 2,88,745
	1949-50	Rs. 8,69,184
	1950-51 ...	Rs. 11,96,408
	Total ...	Rs. 23,54,337

OFFICERS IN MINISTRY OF HEALTH

86. Prof. K. T. Shah: Will the Minister of **Health** be pleased to state:

(a) the number of (i) Gazetted, and (ii) non-Gazetted officers, clerks and class IV servants in her Secretariat on: (i) 15th August, 1947; (ii) 31st March, 1948; (iii) 31st March, 1949; (iv) 31st March, 1950; and (v) 31st March, 1951; and

(b) the number of officers, clerks and class IV servants appointed temporarily in the first instance and subsequently (i) made permanent, (ii) retired or (iii) retrenched, during each of the years 1947-48 (post-partition), 1948-49, 1949-50 and 1950-51?

The Minister of Health and Communications (Rajkumari Amrit Kaur): (a) and (b). A statement giving the information is placed on the Table of the House. [*See* Appendix IV, annexure No. 4.]

FOODGRAINS FOR ARMED FORCES

87. Shri Sidhva: Will the Minister of **Defence** be pleased to state:

(a) whether the foodgrains for the armed forces are purchased by the Defence Ministry or by the Ministry of Food and Agriculture;

(b) what is the quantity consumed per year by armed forces;

(c) if the purchases are made direct, at what price they are made;

(d) whether there is any quota fixed for each person in the armed forces or a lump quantity is fixed for the total armed forces;

(e) where is the stock of foodgrains stored for armed forces; and

(f) whether it is supplied directly by the Defence Ministry to the armed forces or they are supplied by the Ministry of Food and Agriculture?

The Minister of Defence (Sardar Baldev Singh): (a) Food grains for the Armed Forces are procured by the Ministry of Food and Agriculture.

(b) It will be contrary to the public interest to disclose this information.

(c) The purchases of food grains are not made direct.

(d) Scales of rations for each individual are fixed.

(e) and (f). Food grains for the Armed Forces are normally supplied monthly by the Ministry of Food and Agriculture. These are despatched direct to various supply depots during the month previous to that of consumption and are stored in pucca, well ventilated godowns.

COMPTROLLER AND AUDITOR-GENERAL'S REPORT

88. Shri Sidhva: (a) Will the Minister of **Finance** be pleased to state whether Government have received the report of the Comptroller and Auditor-General on his visits to foreign countries last year?

(b) If so, what are his suggestions and recommendations?

(c) Will this report be available to the Members of Parliament?

(d) Under what Rules or Articles of the Constitution is the Comptroller and Auditor-General's report on such matters to be submitted and to whom is he to submit such reports, *i.e.*, whether to the President or to the Minister or to any one else?

(e) To whom is the Comptroller and Auditor-General responsible for all his actions?

The Minister of Finance (Shri C. D. Deshmukh): (a) to (d). As I stated in reply to a similar question last November the Comptroller and Auditor General's visits to foreign countries last year were in the discharge of his own responsibilities and no question of his making any report to any one arises.

(e) To Parliament in the last analysis.

EXEMPTION FROM IMPORT DUTY

89. Dr. V. Subramaniam: (a) Will the Minister of **Finance** be pleased to state whether it is a fact that Ruling Chiefs, Ambassadors, Charge-de-Affairs and their secretaries, Attachies are exempted from import duty on articles imported for their official and personal use and if so, to what value?

(b) What is the consideration on which this concession is given?

The Minister of Finance (Shri C. D. Deshmukh): (a) Rulers of Indian States with a personal salute of 19 guns or over enjoy exemption from payment of duty on goods imported by them for their personal use and for the use of the members of their family. Ambassadors and Charge-de-Affairs of foreign countries accredited to India and their diplomatic staff are exempt from payment duty on goods imported by them whether for their official or personal use. In either category there is no restriction on the value of goods which may enjoy the benefit of the concession.

(b) The concessions admissible in the case of the Rulers of Indian States are a legacy of the old regime when they were considered sovereign and are at present being granted in accordance with the provisions made in the Agreements of merger and Covenants establishing the various Unions of States between the Government of India and the various Rulers. In the case of Diplomates, these courtesies are shown under international usage and on a basis of reciprocity.

AUDIT OF REVENUE BY COMPTROLLER AND AUDITOR-GENERAL

90. Shri S. N. Das: Will the Minister of **Finance** be pleased to state to what extent the Comptroller and Auditor-General's activities in the direction of audit of revenue receipts have been extended since the 26th of January, 1950?

The Minister of Finance (Shri C. D. Deshmukh): There has been no extension of the audit of revenue by the Comptroller and Auditor General since the 26th January, 1950.

BAN ON PAKISTAN PAPERS

91. Shri Amolakh Chand: Will the Minister of **Home Affairs** be pleased to state how many papers and books from Pakistan have been banned for entry in India?

Minister of Home Affairs (Shri Rajagopalachari): No Pakistani newspaper has been banned from entry into India. As regards books, the hon. Member's attention is invited to the answer given to Shri M. P. Mishra's starred question No. 1728 on the 26th February, 1951. No book has since been proscribed under the orders of the Government of India.

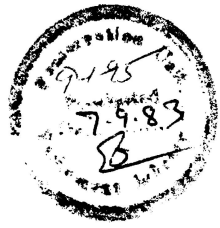
REVALUATION OF RUPEE

92. Shri Sidhva: (a) Will the Minister of **Finance** be pleased to state whether the attention of Government has been drawn to the views published by Dr. Mathai recently regarding revaluation of Rupee?

(b) If so, what is the reaction of Government in this respect?

The Minister of Finance (Shri C. D. Deshmukh): Yes, Sir.

(b) I would invite the attention of the hon. Member to my speech in the Parliament on the 11th August, 1951 in connection with the debate on the President's address to the House.



PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

VOLUME XIV, 1951

(6th August, 1951 to 29th August, 1951)

Fourth Session

of the

PARLIAMENT OF INDIA

1951

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THE

PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

PARLIAMENT OF INDIA

Wednesday, 22nd August, 1951

The House met at Half Past Eight of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

QUESTIONS AND ANSWERS

(See Part I)

9-30 A.M.

PAPERS LAID ON THE TABLE

DECLARATIONS OF EXEMPTION UNDER REGISTRATION OF FOREIGNERS ACT, 1939

The Minister of Home Affairs (Shri Rajagopalachari): I beg to lay on the Table a copy of each of the following Declarations of Exemption issued under the Registration of Foreigners Act, 1939:

(1) No. 1/8/51-FI., dated the 7th February, 1951.

(2) No. 1/9/51-FI., dated the 14th March, 1951 (3 Declarations).

(3) No. 1/12/51-FI., dated the 15th February, 1951.

(4) No.1/14/51-FI., dated the 20th February, 1951 (14 Declarations).

(5) No.1/14/51-FI., dated the 27th February, 1951.

(6) No.1/15/51-FI., dated the 7th March, 1951.

(7) No.1/16/51-FI., dated the 1st March, 1951.

(8) No.1/20/51-FI., dated the 14th March, 1951 (3 Declarations).

(9) No.1/21/51-FI., dated the 16th March, 1951 (9 Declarations).

(10) No.1/25/51-FI., dated the 14th April, 1951.

(11) No.1/28/51-FI., dated the 27th April, 1951 (4 Declarations).

(12) No.1/29/51-FI., dated the 7th May, 1951.

(13) No.1/31/51-FI., dated the 11th May, 1951.

(14) No.1/33/51-FI., dated the 12th June, 1951.

(15) No.1/34/51-FI., dated the 16th June, 1951.

(16) No.1/38/51-FI., dated the 23rd June, 1951 (14 Declarations).

(17) No.1/39/51-FI., dated the 29th June, 1951.

(18) No.1/40/51-FI., dated the 20th July, 1951.

(19) No. 1/42/51-FI., dated the 6th July, 1951.

(20) No.1/43/51-FI., dated the 14th July, 1951 (2 Declarations).

(21) No.1/46/51-FI., dated the 19th July, 1951.

[*Placed in Library. See* No. P-195/51.]

AGREEMENT *re.* LOAN FROM U.S.A. FOR PURCHASE OF FOODGRAINS

The Minister of Finance (Shri C. D. Deshmukh): I beg to lay on the Table a copy of the Agreement dated the 15th June, 1951, between the Government of India and the Government of the United States of America on a loan of $190 million to India for the purchase of two million tons of food-grains from the United States of America. [*See* Appendix IV, annexure No. 9]

Shri Kamath (Madhya Pradesh): May I ask in view of the importance of the subject and in view of the large loan also involved in this Agreement whether the House will have an oppor-

[Shri Kamath]

tunity of discussing this particular Agreement?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): I am very sorry I did not quite hear the first part.

Prof. Ranga (Madras): Along with other similar Agreements with the other Governments.

Shri Jawaharlal Nehru: I do not think it will serve any purpose to discuss that Agreement. It is over and done with. We are proceeding accordingly.

Shri Kamath: It might be explained to the House by the Prime Minister, and there will be an opportunity for Members to raise a discussion.

Mr. Deputy-Speaker: A number of questions have been put and further questions will be put.

MOTION FOR ADJOURNMENT

FAST BY PUBLIC MEN OF ANDHRA *re* FORMATION OF ANDHRA PROVINCE

Mr. Deputy-Speaker: I received a notice of an adjournment motion from Prof. Ranga. It reads as follows:

> "I hereby give notice of a motion for the adjournment of the House today to discuss an urgent matter of public importance, namely the starting of fast unto death by 15 well known public men of Andhra, headed by Swami Sitaram, well known disciple of Mahatma Gandhi and including Shri Sambamurti, Ex-Speaker of the Madras Assembly and Mr. and Mrs. Basavayya, founder of the Vinayashram of Mahatma Gandhi in Andhra because of the inactivity of Government to take any effective and urgent steps towards the formation of the Andhra Province."

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): Sir, I do not know what House, I should like to say a few words

I may say so with all respect, it is hardly admissible. But since you have been good enough to read it to the House, I should like to say a few words about it. First of all it is a matter or concern to the House and certainly to the Government that noted public men should indulge in a hunger-strike for a cause which they consider important and dear. I confess, Sir, that I do not think that that is a method which helps in regard to the subject matter of that hunger strike, *i.e.*, the formation of an Andhra Province, but so far as Government are concerned, they have always been favourably inclined towards it and expressed themselves so on numerous occasions. When a proposal for a linguistic Province is made, it consists obviously of several units or States and the decision that Government are taking in the past is that we are very agreeable subject to certain considerations, but the main consideration is that those parties or States involved should come to a general agreement, not, of course, about every single matter but broad principles. Then it is possible to go ahead with some speed. An agreement is not merely a question of parts. That of course is important; it is an agreement about finances, about services, and about so many other things and a Government cannot take a step forward without working out all these matters carefully or else really more delay occurs and troubles and difficulties occur. After all the word "partition" is not well liked by most of us in another context, but even an inner partition creates difficulties which should be faced, of course, but one has to be careful about them. Therefore what the Government has declared as its policy is that if there is this large and broad agreement brought about by the parties, Government would gladly take steps to finalize it, to further it, by appointment of Commissions and the like. It is sometimes suggested that a Commission might be straightaway appointed. The work of the Commission would be to work out details of any broad agreement because if there is no broad agreement, it is quite conceivable that the Commission may report that there is no agreement and instead of going further ahead, they might further be delayed. It is rather difficult to bring compulsion in this matter. In a desire to please one side, another side is displeased and the Government ought to come down with a heavy hand trying to compel somebody to agree and even if that could be done that leaves traces of ill-will born out of friction and conflict. The thing if it is to be done and successfully done should be done with a large measure of goodwill and agreement and so far as we are concerned, we are prepared to go ahead as fast as possible, but I do submit that the basis should be with a large measure of agreement and goodwill. I believe that there is a fair amount of agreement and goodwill about this matter and it should not be difficult for the remaining part to be covered, but I do submit that a hunger-strike is hardly the way to cover that. With all respect for those gentlemen whose names are mentioned, I would say that they perhaps allowed their deep feeling on the subject to overcome a rational consideration as to how to achieve it.

Mr. Deputy-Speaker: I entirely agree with what the hon. Prime Minister has said; but for the fact that very eminent men have taken to a hunger-strike, I would not even have read the motion to the House. This is a matter which has been pending before the Government for a long time and rightly as the hon. Prime Minister has said, it has to be done on a large measure of agreement between the parties.

Prof. Ranga (Madras): The Government has done nothing at all for the last 20 months. They are not even reading the report of the partition Committee.

Mr. Deputy-Speaker: A motion can be moved on a matter of urgent public importance and if the matter has been pending for a long time. No doubt the urgency is created by a hunger-strike. Everybody including the hon. Prime Minister is very much anxious that those gentlemen must desist from the hunger-strike but that ought not to be a measure to coerce the Government to take a particular step and I cannot allow the adjournment motion on that ground. I feel myself that it is not easy. But for the eminent men who have taken part in this strike, I would not have even read it to the House because such a move is not one of the constitutional remedies for which this House can be responsible. I hope this will be sufficient and the hunger-strike will be avoided. The motion is disallowed.

Shri Kamath: After the statement of the Prime Minister will Prof. Ranga appeal to the gentlemen concerned to give up their fast?

TARIFF COMMISSION BILL—*contd.*

Mr. Deputy-Speaker: The House will now proceed with the further consideration of the Tariff Commission Bill. I think clause 6 is under consideration.

Clause 6.—(*Conditions of Services of Members of the Commission*)

Pandit Thakur Das Bhargava (Punjab): Sir, I have moved an amendment to the effect that in clause 6, the period of three years may be changed into five years. I maintain that a period of three years is too small for us to take full advantage of the services of the members of the Tariff Commission. In the first place, when a permanent Tariff Commission is going to be appointed for the first time, a year or so will be taken to form the establishment, settle the method of work and to get the personnel who are to work in subordination to this Tariff Commission. After that only two years will remain. The last year, as I submitted yesterday will also be considered as a year when every member will try for renewal of his term or remain in suspense that his tenure is going to end soon. Virtually, there will be about a year or so for the Tariff Commission to work. My humble submission therefore is that in cases of this nature where an important and influential body regarding industries is going to be appointed, we should see that sufficient time elapses before they are asked to retire. In the first place we will be taking full advantage of the experience gained by them. In the second place, continuity of policy must be ensured as they are expected to look after the after-protection treatment also.

At the same time I said that in regard to these permanent members there may be some justification for keeping this disqualification. In the case of additional members, the disqualification contained in sub-clause (3) of clause 6 would work too hard. If a person wants to take up the work of an additional member for three or six months, the disqualification will be there for a period of three years. As I submitted previously, with your permission, I would repeat my arguments which will bear repetition. I maintain that it will be difficult to obtain persons of the right sort for additional membership under these circumstances. If people of the right type do not elect to come, it means that the country is deprived of the services of such competent men. If therefore we want to have the most competent men as additional members of this Tariff Commission, we must see that this disqualification does not appear here in the same manner as it appears now. Yesterday I submitted I was not in favour of any additional members. Since the House has been pleased to accept that there should be additional members, I must submit for the consideration of the House that the House must so amend this disqualification clause so that it may not be applicable to additional members, if the House wishes that this additional work may be taken by competent men. Otherwise, my fear is that we will not be able to get good men to perform the work which the country requires to be performed by competent men. Therefore, my submission is that so far as sub-clause (3) is concerned, it must be amended.

[Pandit Thakur Das Bhargava]

I have one submission more. I can understand that a person cannot accept service in any private industrial undertaking, etc. But I cannot accept that he cannot himself start any kind of industry. Now, the words here are: "shall not hold any appointment in any private industry....." I want these words to be substituted by "shall not accept service in any private industry..." I understood the original meaning of these words "hold any appointment" was the same as acceptance of service. I find that the Members who have spoken on this clause have thought that acceptance of service is forbidden to them but that these words may be taken to mean that he cannot even start his own industry. Suppose he becomes the managing director in a company floated by himself or he wants to work himself in his own industry, started by himself. Still he will be holding some appointment and he will be acting as the managing director or as owner, etc. I do not think we should penalise him to that extent. Though he may not accept service in any private industrial undertaking, he may start his own industry or start some work to earn his livelihood. My humble submission is that these words should be substituted by the words "accept any service".

This is all I have to submit and I would submit with all the emphasis at my command that we should change the period from three to five years; otherwise, public interests will suffer.

Dr. M. M. Das (West Bengal): On a point of information, may I know what has happened to the amendments of which notice has been given about this clause 6?

Mr. Deputy-Speaker: I think all the amendments have been moved.

Prof. K. T. Shah (Bihar): I have not moved my amendments.

Mr. Deputy-Speaker: Perhaps, the hon. Member was not present in the House yesterday.

Dr. M. M. Das: I was present.

Mr. Deputy-Speaker: I find that those amendments which had been tabled before yesterday and were in the Order Paper yesterday were all moved. Those amendments of which notice was given only yesterday, I shall allow them to be moved now before the debate continues. Hon. Members will indicate the numbers; I will take them as moved.

Prof. K. T. Shah: I beg to move:

(i) In page 2, line 16, *for* "three" *substitute* "five".

(ii) In page 2, line 19, *for* "three" *substitute* "not exceeding five".

(iii) In page 2, lines 25 to 27, *omit* from "undertaking" to "the Central Government".

(iv) In page 2, after line 27, *insert*:

"(4) To every whole-time member of the Commission ceasing to hold the office of a Tariff Commissioner, a proportionate pension at the rate of 1/30 of the monthly salary of the member concerned for each year of service as such member, and not exceeding 1/3 of the average monthly salary of the member concerned, or, in the alternative, at the option of the member concerned, a gratuity at the rate of one month's salary for each full year of service (including any period spent on privilege leave) not exceeding 10 months' average salary to any member ceasing to hold office as Tariff Commissioner shall be paid."

Mr. Deputy-Speaker: They will be taken as moved.

Dr. M. M. Das: I beg to move:

In page 2, after line 27, *insert*:

"Provided that nothing contained in this sub-section shall render any member, subject to the disqualification specified therein, if removed from office under section 7 or appointed under the Proviso to Section 3."

Mr. Deputy-Speaker: Amendments moved:

(i) In page 2, line 16, *for* "three" *substitute* "five".

(ii) In page 2, line 19, *for* "three" *substitute* "not exceeding five".

(iii) In page 2, lines 25 to 27, *omit* from "undertaking" to "the Central Government".

(iv) In page 2, after line 27, *insert*:

"(4) To every whole-time member of the Commission ceasing to hold the office of a Tariff Commissioner, a proportionate pension at the rate of 1/30 of the monthly salary of the member concerned for each year of service as such member, and not exceeding 1/3 of the average monthly salary of the member concerned, or, in the alternative, at the option of the member concerned, a gratuity at the rate of one month's salary for each full year of service (including any period spent on privilege leave) not exceeding 10 months' average

salary to any member ceasing to hold office as Tariff Commissioner shall be paid."

(v) In page 2, *after* line 27, *insert*:

"Provided that nothing contained in this sub-section shall render any member, subject to the disqualification specified therein, if removed from office under section 7 or appointed under the Proviso to Section 3."

Some amendments have been given notice of today. As there are so many amendments, I will waive notice. They are for clause 7. All these matters have been discussed at length at various stages. So, straightway, I shall put them to the vote of the House.

श्री भट्ट : माननीय उपाध्यक्ष जी, मैं ने जिन विषयों की चर्चा की है वह साधारण तौर से चर्चा की है। लेकिन अपने संशोधनों के बारे में मैं ने एक शब्द भी नहीं कहा है, क्योंकि मैं ने उस समय कहा था कि जब संशोधन का समय आयेगा तब मैं अपने सशोधन समझाऊंगा। इसलिये आप की इजाजत से अब मैं अपने संशोधनों के बारे में निवेदन कर रहा हूं।

मैं अभी भी यह मानता हूं कि जो पाबन्दी इस कानन से हम लगाना चाहते हैं वह बेजा है। दूसरी बात यह है कि हम माननीय मंत्री जी को कल सुन चुके। उन्होंने कहा कि इसी तरह की बड़ी जिम्मेवारी के ओहदे भोगने वाले मिनिस्टर साहबान वगैरह के ऊपर भी इस प्रकार की क़ैद लगानी चाहिये, इस के लिये उन को बड़ी खुशी है। इस बात को अगर वह मानते हैं तो मैं यह कहना चाहता हूं कि हिन्दुस्तान में ऐसे कमीशन और ऐसे काम के लिये जो जो आदमी आयेंगे उन के ऊपर कौन सी पाबन्दी लगानी चाहिये, कौन सी क़ैद लगानी चाहिये और क्या रैस्ट्रिक्शन्स (restrictions) होने चाहियें यह सवाल एक छोटा सवाल नहीं है। इसलिये मैं यह सुझाता हूं कि आल इंडिया पालिसी (All India policy) बनानी हो, सब के लिये एक चीज लागू करने के लिये बनानी हो तो यह एक दूसरे दरवाजे से, एक छोटे से दरवाजे से, या खिड़की से यह चीज नहीं लानी चाहिये, यही मेरा कहना है। मैं इस के ऊपर जो ऐतराज कर रहा हूं वह इसलिये कि इस चीज को जो आप ला रहे हो, टैरिफ़ कमीशन (Tariff Commission) के लिये यह चीज रख रहे हो, यह ठीक रास्ते से नहीं ला रहे हो। मैं एक मिसाल देना चाहता हूं। आप ने आई० सी० ऐस० (I.C.S.) नौकरों वगैरह के लिये, सरकारी नौकरी के लिये नियम बनाये और उस के आप ने उपनियम आदि बनाय। उन के ऊपर आप ने पाबन्दियां रखी हैं। इसी तरह से अगर आप को एक यूनीफ़ार्म पालिसी (uniform policy) बनानी हो तो आप को सब के लिये कुछ नियम, उपनियम, बनाने होंगे और उस के लिये एक अलग कानून करना होगा। मिनिस्टरों के लिये भी अगर आप को बनाना है तो आप के संविधान में "होल्डिंग आफिस आफ़ मिनिस्टरशिप इज नाट ए डिसक्वालीफ़िकेशन" (Holding of office of Ministership is not a disqualification) इस चीज को भी सुधारना होगा।

इसलिये मैं बड़े अदब से यह कहना चाहता हूं कि इस सवाल को आप अलग रखिये और अगर आप को कुछ न कुछ करना है तो आप को २४, २ ए में अख्तियार है कि आप कंडीशन्स आफ़ सरविस (conditions of service) इन के लिये जो कुछ रखना चाहें वह रखें। लेकिन एक क़ानून के रूप में इस चीज को न रखें।

क़ानून हम ऐसा बनायें, जिस क़ानून को हम लोग लागू कर सकें, और जिस का असर हो सके, लेकिन क़ानून में ऐसी बात न रखें जिस का कि पालन हम बराबर न करवा सकें। आम तौर से क़ानून ऐसा बनाया जाना चाहिये जिस में कम से कम नुक़्स हो, कम से कम खिड़कियां और बारियां हों और कम से कम

[श्री भट्ट]

सूराख हों ताकि लोग उस का नाजायज़ फ़ायदा न उठा सकें। और मेरी समझ में इस चीज़ की कोई जरूरत नहीं है।

मैं दूसरी चीज़ की तरफ़ ध्यान दिलाना चाहता हूं कि जब रोड ट्रान्सपोर्ट कारपोरेशन बिल (Road Transport Corporation Bill) चल रहा था और कम्पैनसेशन (compensation) का सवाल आया था उस समय भी प्रवर सामिति में और उस की रिपोर्ट में इस चीज़ का ज़िक्र आया था कि कपैनसे के लिये कोई नियम बनाये जायं तो उस वक्त कहा गया था कि सारी चीज़ों के लिये, कम्पैनसेशन के नियम हम बनायेंगे और उस के लिये एक अलग बिल और क़ानन हम लायगे। इस पर भी मैं अर्ज़ करना चाहता हूं कि अगर माननीय मंत्री भी इस चीज़ को पसन्द करते हों, और हम सब लोग पसन्द करते हों, तो उस लिये हमें एक बिल का मस्विदा यहां पर लाना चाहिये जो कि आल परवेडिंग (all pervading) और आल इम्ब्रेसिंग (all embracing) हो। इतना कहकर अब मेरे जो संशोधन ह, उन का जिक्र करता मैं हूं। वह दूसरा संशोधन क्या है उस की तरफ़ मैं आप का ध्यान दिलाना चाहता हूं। उस में यह लिखा है :

"holding of any appointment in any private industry or undertaking."

यह पहला हिस्सा है। हम कैसे आदमी को इस टैरिफ़ कमीशन में नियुक्त करना चाहते ह क्या हम सिर्फ़ प्रोफ़ेसरों को नियुक्त करना चाहते हैं, या ऐसे आदमियों को नियुक्त करना चाहते हैं जो क़रीब क़रीब अपनी उम्र की आखीरी मंज़िल पर पहुंच गये हैं, जो कि ५५ साल के, ६० साल के, या तो ६५ साल की जिन की उम्र के हैं उन को इस में लेना चाहते हैं, या हम ऐसे आदमी लेना चाहते हैं जिन में काम करने का उत्साह हो, उमंग और आवश्यक शक्ति हो ?

Shri Kamath: Sir, on a point of order. The hon. Member just now referred to persons beyond the age of sixty as being in their "Akhiri manzil" or the last stage of their life. Some hon. Ministers here are beyond the age of sixty. Sir, and it is unfair to say that anybody beyond that age is in the last stage of his life. Some hon. Members also are beyond the age of sixty here.

Mr. Deputy-Speaker: But they are not members of the Commission.

श्री भट्ट अगर किन्हीं सज्जनों को मेरे इन शब्दों पर ऐतराज़ है, तो मैं बानप्रस्थ कहूंगा। मैं असल में चाहता हूं कि इस कमीशन में हम ऐसे आदमी लें जिन को उद्योग का तजुर्बा हो, व्यापार आदि का अनुभव हो, ऐसे आदमियों को हमें लेना चाहिये। इस पाबन्दी से आप उन आदमियों के ऊपर रोक लगा रहे ह जो व्यापार करने वाले हैं और जिन को काफ़ी अनुभव रहता है और अच्छे दिमाग़ वाले होते है। इस पाबन्दी के अनुसार वह तीन साल तो सरकार की सेवा करें, और उस के बाद अगले तीन साल तक वह खाली बैठे रहें, तो यह ऐसी चीज़ है जिसके ऊपर ग़ौर किया जाना चाहिये कि ऐसे उद्योग धंधे जिन को सरकार की तरफ़ से कोई रक्षण नहीं मिलता है और सरकार की तरफ़ से कोई रक्षण उन को मिलने वाला नहीं है, तो ऐसे उद्योग धंधे वाले आदमियों को अगर आप यह कहते हैं कि टैरिफ़ कमीशन की मेम्बरी तीन साल करने के बाद अगले तीन साल तक वह अपना कोई काम न करें, तो यह कहां तक सही होगा और वह लोग कैसे अपना जीवन निर्वाह करेंगे। मैं चाहता हूं कि इस चीज़ की तरफ़ आप ज़रूर ध्यान दे और मैं ने अपने संशोधन में सुझाया है कि : *After* undertaking *insert* "enquired into for grant of protection during the tenure of his office"। उन को अपने काम पर जाने का अधिकार रहेगा। लेकिन अगर आप को यह पाबन्दी अवश्य रखनी है, तो उस को तीन साल के लिये न रखें बल्कि एक साल के लिए रखें।

मेरा तो अपना निजी विचार है कि ऐसे लोगों के लिए कोई पाबन्दी रहनी ही नहीं चाहिये, लेकिन अगर मेम्बर दूसरे साहबान और माननीय मंत्री इस तरह की पाबन्दी को जरूरी समझते हैं, तो मैं लाचार हूं और अपना विरोध प्रकट करता हूं और मैं कहना चाहूंगा कि जहां आप उन को दूसरा कोई काम करने की इजाजत नहीं देते हैं, तो उतने समय तक आप उन को कोई एलाउन्स (allowance) पेन्शन (pension) या ग्रेच्युटी (gratuity) की शक्ल में आर्थिक सहायता दें ताकि वह अपना जीवन निर्वाह कर सकें, यह मेरा दूसरा सुझाव है। यह क़ैद, रिस्ट्रिक्शन रखने का जो सवाल है, यह बड़ा कम्पलीकेटेड (complecated) है और इस को हल करने के लिए आप को रूल्स (rules) में यह चीजें ले जान होंगी और उस के वास्ते ठण्डे दिल व दिमाग़ से इन पर विचार करना होगा। अन्त में मैं ज्यादा समय न लेते हुए नम्रता से निवेदन करूंगा कि अगर इन चीजों को जिन को मैं ने ऊपर कहा है, इस चीज को न रखें, तो यह ज्यादा बेहतर होगा, क्यों कि अगर उस को आप ने रखा तो उस के साथ आप को और कई चीजों को दाखिल करना होगा जिस से कि उन के जीवन निर्वाह का प्रबन्ध हो सके, उस अवधि तक जब तक के लिए आप उन पर ऐसी रोक लगाते हैं। इस लिए मैं चाहूंगा कि हम क़ानून को अच्छा बनायें, ताकि कोई दिक्कत किसी क़िस्म की न हो।

(English translation of the above speech)

Shri Bhatt (Bombay): Sir, I have dealt with the subjects on which I have so far spoken in a general manner and I have not submitted a single word with regard to the amendments I have put forward because on the previous occasion I had told the House that I would explain my amendments when they were taken up. Hence, I am now speaking on my amendments, with your permission.

I am still of the opinion that the restriction which is sought to be imposed by this Bill is not fair. Another point is that we heard the hon. Minister's views on this subject yesterday. He said he wished that that kind of restriction should also be imposed with regard to all persons enjoying high offices, including Ministers, etc. and that he would be very happy if such a provision was made. If he accepts this view, I would submit that all importance should be attached to this question of imposing restrictions on persons whose services would be utilised in connection with such a Commission and such a work. Hence my suggestion is that if an all-India policy is to be framed and if uniformity is to be brought about in this matter, it should not be pushed in indirectly, from the wrong side. I object to it because I feel that this provision which is being made in regard to the Tariff Commission is not coming through the right channel. I may just give you an instance. The Government have prescribed certain rules and regulations for recruitment to the I.C.S. and other Government services. Certain restrictions and qualifications have been laid down for them. In the same way, if a uniform policy is to be formulated, you will have to frame certain rules and regulations for all and for that a separate law shall have to be enacted. If a similar law is to be enacted for Ministers, then you will have to modify and amend the provision in the Constitution, namely the "holding of office of Ministership is not a disqualification".

Hence I most respectfully submit that this question should be put aside and dealt with separately. If something has to be done then the Government have the powers under clause 24(2)(a) to prescribe whatever conditions of service they like for them. But they should not try to make such a provision in the form of a law. A law should be such as may have the force of law and which can command respect for itself and any such provision in law that is incapable of being enforced should be avoided. An effort should be made to see that generally laws are such as have the minimum drawbacks and loop-holes so that people may not be able to extract undue advantage out of them. In my opinion, there is no need of this provision.

I would like to draw your attention to a different point. At the time of discussing the Road Transport Corporations Bill, the question of com-

[Shri Bhatt]

pensation arose and mention was made in the Select Committee as well as in its Report about the framing of rules for compensation. At that time it was said that rules of compensation would be made for all things and that a separate Bill would be brought for that purpose. I submit that if the hon. Minister favours the idea and if we also like it, we should bring forward a draft Bill to that effect which should be all pervading and all-embracing. With this, I now come to my amendments. I would like to draw your attention to my second amendment. The clause mentions "holding of any appointment in any private industry or undertaking". That is the first part. Now the question is as to what type of people would we like to have in the Tariff Commission—do we want only professors to be appointed or do we want such persons who have almost reached the last stage of their life that is to say who are 55, 60 or 65 years old or do we want persons who are enterprising, energetic and active?

Shri Kamath (Madhya Pradesh): Sir, on a point of order. The hon. Member just now referred to persons beyond the age of sixty as being in their "Akhiri manzil" or the last stage of their life. Some hon. Members here are beyond the age of sixty, Sir, and it is unfair to say that anybody beyond that age is in the last stage of his life. Some hon. Members also are beyond the age of sixty here.

Mr. Deputy-Speaker: But they are not Members of the Commission.

Shri Bhatt: If any hon. Member has any objection to these words, I would call it *Vanprastha*. As a matter of fact I wish those persons to be appointed on the Commission who have some experience of industry and commerce. By this restriction, you are excluding those who are engaged in trade and commerce and possess much experience and have a keen intellect. According to this restriction they would serve the Government for three years and then for the next three years they would sit idle. So, it is a matter which needs careful consideration as to how far is it justified to tell those persons who are engaged in such industries, which are not enjoying protection from the State nor is there any likelihood of protection being afforded to them, not to accept any service or start any work for the next three years after serving on the Tariff Commission for a three-year period and as to how would they be able to manage their living. I wish that this should be carefully considered. I have suggested in my amendment that: *After* "undertaking" *insert* "enquired into for grant of protection during the tenure of his office". That would give them the right to go back to their work. But if this restriction has to be imposed, then keep it for one year in place of three years. I personally think that there should not be any restrictions on such persons but if other hon. Members and the hon. Minister think this restriction to be necessary, I am sorry I have to oppose it. I submit that in so far as you do not permit them to do any work, you should grant a pension, allowance or gratuity to them for that period so that they might not find it hard to earn their living. This is my second amendment. The question of imposing this restriction is a complicated one and to solve that complication these provisions would have to be incorporated in the rules and the whole matter would have to be thought over with a cool mind. In the end, not taking any more time of the House I submit that it would be better if these provisions about which I have spoken earlier are not retained because if they are retained, you will have to provide for many other things also so that they might manage about their living during the period of restriction. I, therefore, want the Bill to be so modified that it may not present any difficulty whatsoever.

Mr. Deputy-Speaker: Hon. Members may now speak on their own amendments, and also on other amendments, oppose or support them. The whole clause and the amendments are now before the House.

Prof. K. T. Shah: My amendment also seeks to extend the period of three years to five. But I submit that the period of renewal or extension need not necessarily be the full period of five years, but it may be fixed according to the circumstances and the capacity of the individual, as may be found necessary, after working for the first five years. Sir, so far as this point is concerned, the general argument has been presented very ably by my hon. friend Pandit Thakur Das Bhargava and therefore I need not go over the same ground. I must, however, point out that the purpose and function of the Tariff Commission proposed by this legislation being different, and fundamentally different from those to which we have been accustomed under the Tariff Board, it seems to me that a period of preparation, of training for getting experience in handling more than one industry coming together, and also for looking into the conditions in the different parts of the country is very

necessary. The first year or so would be required by the members for familiarising themselves, for elaborating the procedure and for settling all the preliminary matters. Therefore, I do not think that, at any rate as far as the first Commission is concerned, the period of three years would really be helpful at all. In the subsequent stages I should like to leave a margin of discretion to the appointing authority, namely not exceeding five years. In any case no one should have a place on the Commission for more than ten years, so that there will be no danger either of a vested interest being created in favour of any particular individual or those individuals getting in to settled ruts from which new ideas, methods or devices may be excluded. I think the provision is necessary not only for the reasons that Mr. Bhatt has mentioned but also because the kind of individuals whom you will select, if they are to give their whole-time energy and attention to such matters, should not be left exposed (as I said in another connection) to the necessity of thinking what may happen to them thereafter. I hold the view that they should not have any necessity and not even permission to go into private undertaking and therefore I have suggested in one of the amendments that all the words after "undertaking" should be deleted so that there would then be no necessity of any permission being granted or asked for to undertake employment in any private concern.

10 A.M.

The point was well made by Pandit Bhargava with regard to the particular interpretation of this clause as to the question whether these words will relate only to service or one's own enterprise and incidentally an office in that enterprise for profit to himself. I also welcome the suggestion made by him in that connection and I trust the Minister concerned would see his way to clarify this obvious risk of confusion of words and their meaning. In my view however there would be no need at all either to grant or withhold permission simply because the State should undertake provision for such people on their retirement on a basis which is also suggested in one of the amendments, that is at the rate of 1/30 of each year of service. The average pay, if a full ten year period is served may amount to as much as one-third of the average pay of the person concerned or somewhere about Rs. 800 or 900. If such a pension is to be provided or in the alternative a gratuity is given, then I think you may and will be able to obtain a really desirable class of persons to serve on such bodies and devote their whole time and attention to their work without any thought as to what they should do for the future, and the country would also benefit and the duties which they will have to discharge will be performed far more efficiently than might be the case, when the incumbent is exposed to the anxieties incidental on such occasions. The proportion suggested is also not very high nor meagre inasmuch as the old rules of service suggest 1/60th or a maximum of one half of the average pay in the last three years of service. In a case like this to suggest a maximum of one-third of the average pay and the rate of 1/30 of the pay per year of service is in my opinion quite reasonable as it ought to be and I trust therefore that this amendment would be accepted.

Shri Shiv Charan Lal (Uttar Pradesh): The only point I want to bring to the notice of the Minister is that these disabilities should not apply to temporary appointments. The temporary appointments that are to be made may be for a month or two and they will be persons who are specialists in certain branches of trade and hence it may be desirable to get their advice. If you put this disqualification that after serving for a month or more they will be disqualified either for life or for three years to do any business, you will not get able persons. Therefore my request to the Minister is that this disqualification should not apply to the persons who are to be appointed temporarily.

Shri A. C. Guha: (West Bengal): In the Select Committee also I tried to get the suggestion accepted that the tenure of appointment should be for five and not three years. It has been the purpose of the Government and it is also the recommendation of the Fiscal Commission that the Tariff Commission should be a sort of quasi-judicial and permanent body. I would like to draw the attention of the Minister to the word permanent. With a three year term the member of the Commission cannot feel any sense of permanence. During the first year he will be acquainting himself with the nature of his work and in the third year he will have to go to the Minister or some other influential persons lobbying to have his term extended by another period. This will lead to corruption and corrupt practices. The purpose of having a permanent body would be lost if you make the term for three years. I appeal to the Minister to accept the amendment that the term

[Shri A. C. Guha]

of office at least of the first appointment should be for five years instead of three. It will not add any extra burden to the Government nor involve any extra expenditure but will simply give the members a sense of permanence and better security of tenure. We should also remember the disabilities imposed on a member after retirement —thus limiting the range of choice.

As regards the other amendment regarding disability being put on the members, that provision should be retained. Otherwise these members may become liable to outside influences and it may lead to corrupt practices during their term of office.

Pandit Bhargava has moved an amendment which wants to change the words "hold appointment" to "accept any appointment". I do not think that the purpose of Government is that they should not be allowed to start their own business or hold an office of managing director in any business started by themselves. However the intention of the Government should be made clear and there should be no ambiguity. As far as I can understand the language it is quite clear. However the Minister should make it absolutely clear in his reply.

Before concluding I once again appeal to the Minister to make the term of appointment five years at least for the first term and for the second term it may be for three years.

The Deputy Minister of Commerce and Industry (Shri Karmarkar): We have very carefully considered the various suggestions made and the reasons therefor. This particular clause was thrashed out threadbare in the Select Committee and after full consideration the Select Committee came to the conclusion that the period of three years and a possible extension of three years was reasonable. The condition by which members are prevented from holding an appointment after three years is also reasonable. With great respect to the arguments advanced and after considering them very carefully the Government do not see the necessity for any change in the recommendation made by the Select Committee so far as this provision is concerned.

I must say frankly that I was disappointed a little by what Mr. Gokulbhai Bhatt said in support of his suggestion. If an industrialist wanted to have a man to have experience in the Tariff Commission and then wanted to put to good his accumulated experience there subsequently in his business undertaking, I could have understood such a desire on the part of the industrialist. But to support such a view is absolutely repugnant to our conception of what a member who has served on the Tariff Commission should or should not do. It would be very bad to permit any such member to go out and immediately offer his services to any going industrial concern. But if an exceptional case arises then power is vested in the Government to consider it on its merits.

As regards the period I am afraid the arguments were not very convincing in the sense that the same considerations hold good whether the period is three or five years. The length of the period is purely a question of convenience. Supposing we put in a member for five years, merely putting him in as member for five years does not guarantee that he will continue to be an efficient or good member for those five years. The Select Committee has given its verdict in this matter. In any case it is merely a matter of convenience whether the period should be three, five or seven years. The object of having a member for five years is served in the same manner by having him for three years in the first instance and by making his tenure extendable by another three years. The basic difficulty in the minds of some hon. Members appears to be that if a person is appointed as member for three years and then the patronage —I shall put it bluntly—of extending his period by another three years lies in the hands of Government—which is absolutely responsible to this House, at any moment, for any behaviour or misbehaviour—the hon. Member's difficulty is whether it is desirable to entrust this discretion of extending the tenure in the hands of Government, whether putting such a big power in the hands of Government would tend to corruption. I could not follow the arguments of my esteemed friend, Mr. Guha when he said that the period of three years would tend towards corruption—unless by that he meant there is corruption in the Government. If that is what he meant then this House is there to correct the Government. I could not conceive of any corruption coming from outside and exercising itself on the member, whether he is there for three years or for five years. After taking all these things into consideration the Select Committee came to the very wise conclusion that a period of three years, extendable by another three years, is salutary, and we accepted the reasons

and the conclusion arrived at by the Select Committee. Therefore, I very much regret that Government are not in a position to accept the amendments that have been proposed to this clause.

Shri Jhunjhunwala (Bihar): I wanted to say a few words with regard to Shri Shiv Charan Lal's amendment, that so far as temporary members are concerned they should not be disqualified from accepting office after their tenure of membership. This restriction may apply to the permanent members, but if you require a person to hold temporary membership for, say, two months, and you expect good service from him but insist on this restriction, then you will not be able to get persons to take up temporary membership. Nobody will come forward when he knows that he will be disqualified to hold any other office anywhere once he has worked as member of the Tariff Commission.

Shri Karmarkar: I entirely accept the reasoning of the hon. Member. It was to meet that difficulty that we thought of accepting an amendment but on reconsideration we decided not to accept it and do away with additional members. I do agree that a person may be taken as member for three months on a particular question in which he may be an expert, and that that great assistance should not debar him further is an obvious proposition. Under such circumstances Government would certainly consider such cases as exceptions to the general rule and will give him his freedom with such conditions as Government may think fit. But while I entirely agree with the argument, if we make special provisions to meet such a case it may create further complications in regard to the cases of all additional members. Therefore I think the House will do well to leave the matter to Government to consider what should be the consideration in the case of a particular period of membership. I think the present provision, in view of this explanation, would be found to be satisfactory.

Mr. Deputy-Speaker: I shall put the amendments to the House. The question is:

In page 2, line 16, *for* "three" *substitute* "five".

The motion was negatived.

Mr. Deputy-Speaker: Then the amendments of Pandit Thakur Das Bhargava, Shri Goenka, Shri Sidhva and Prof. K. T. Shah, which are to the same effect are also lost. In view of this Shri Bhatt's amendment No. 7 also falls through. Then there is amendment No. 43 of Shri Ramnath Goenka.

Shri Ramnath Goenka (Madras): I beg leave to withdraw my amendment.

The amendment was, by leave, withdrawn.

Mr. Deputy-Speaker: Then there is Prof. Shah's amendment, No. 51. The question is:

In page 2, line 19, *for* "three" *substitute* "not exceeding five".

The motion was negatived.

Mr. Deputy-Speaker: Then there is amendment No. 8 moved by Shri Gokulbhai Bhatt. The question is:

In page 2, *omit* lines 24 to 27.

The motion was negatived.

Mr. Deputy-Speaker: Then amendment No. 27 moved by Pandit Bhargava. The question is:

In page 2, line 25, *for* "hold any appointment" *substitute* "accept any service".

The motion was negatived.

Mr. Deputy-Speaker: Then there is amendment No. 52 moved by Prof. Shah. The question is:

In page 2, lines 25 to 27, *omit* from "undertaking" to "the Central Government".

The motion was negatived.

Mr. Deputy-Speaker: Now Shri Bhatt's amendment No. 9. The question is:

In page 2, line 25, *after* "undertaking" *insert*:

"enquired into for grant of protection during the tenure of his office."

The motion was negatived.

Mr. Deputy-Speaker: Shri Sidhva's amendment No. 28. The question is:

In page 2, lines 26 and 27, *omit* "save with the consent in writing of the Central Government".

The motion was negatived.

Dr. M. M. Das: Sir, I beg leave of the House to withdraw my amendments Nos. 19 and 21.

The amendments were, by leave, withdrawn.

Mr. Deputy-Speaker: So Shri Bhatt's amendment No. 5 which is similar to amendment No. 19 also falls through. In regard to amendment 53 by Prof. K. T. Shah, I am afraid it is barred by the previous amendment that the House has rejected. The House is not in favour of giving any allowance to the Tariff Commissioners. This amendment works out the details and mentions the rate as 1/30th. Since the principle has been rejected, this amendment is barred.

Then Shri Bhatt's amendments Nos. 10 and 11. The question is:

In page 2, line 26, *for* "three years" *substitute* "one year".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 2, *after* line 27, *insert*:

"Provided that the Central Government shall pay a suitable allowance prescribed under rules, to a member not permitted to take an appointment under sub-section (3)."

The motion was negatived.

Mr. Deputy-Speaker: That disposes of all the amendments. The question is:

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7.—(*Power of Central Government to remove members from office*).

Mr. Deputy-Speaker: There is a last minute amendment by Shri Gokulbhai Bhatt.

In page 2, line 37, *after* "sub-section (1)" *insert* "and (2)".

This is one of substance and not a formal one. Hence, the notice being short I am not allowing it.

The question is:

"That clause 7 stand part of the Bill."

The motion was adopted.

Clause 7 was added to the Bill.

Clause 8.—(*Appointment of officers etc. of the Commission*)

Dr. M. M. Das: I beg to move:

In page 2, lines 41 and 44, *for* "servants", wherever it occurs, *substitute* "other employees".

The Minister of Commerce and Industry (Shri Mahtab): I accept it.

Mr. Deputy-Speaker: The question is:

In page 2, lines 41 and 44, *for* "servants", wherever it occurs, *substitute* "other employees".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Clauses 9 and 10

Shri Sidhva (Madhya Pradesh): I beg to move:

In page 2, line 49, *after* "think fit" *add* "The headquarters of the Commission shall be in Bombay".

This clause relates to the sittings of the Commission. It says that the Commission can move from one part of the country to another. The headquarter is not known. I would like to know where the headquarter is going to be. I have mentioned Bombay because it is the largest industrial city. I suggest that this amendment be accepted to make the position clear.

Shri Mahtab: So far the headquarter of the Tariff Board has been at Bombay and it goes without saying that it will continue to be in Bombay. I do not know how Mr. Sidhva commits a tactical blunder by mentioning Bombay specifically, because this will attract the attention of Calcutta and Madras.

Shri Sidhva: But surely Calcutta and Madras cannot be compared to Bombay, which is our largest industrial town.

Mr. Deputy-Speaker: Government will notify the headquarter. So, I am not putting the amendment. Since there is no amendment to clause 10, I

shall put both clauses 9 and 10 together. The question is:

"That clauses 9 and 10 stand part of the Bill."

The motion was adopted.

Clauses 9 and 10 were added to the Bill.

Clause 11.—(*Reference of matters relating to protection of industries to the Commission*).

Shri Bhatt: I beg to move:

In page 3, line 13, *for* "may" *substitute* "shall".

Mr. Deputy-Speaker: Any speech on the floor of the House is intended to convert Members. All along this question of "may" and "shall" has been debated. At the first reading, it was discussed. I myself raised this point. Then it was again raised in the Select Committee and after the report of the Select Committee has come to the House we cannot discuss it again. Government have found it impossible to use "shall". They say that it should be "may".

Shri Sidhva: On this he has already taken half-an-hour.

Mr. Deputy-Speaker: I am not going to allow any repetition of arguments with reference to the same matter.

Shri Bhatt *rose*—

Shri Sidhva: Order, order.

Shri Goenka: Has any Member the right to say 'Order, order'.

Shri Sidhva: Certainly, to protect the dignity of the Chair—you perhaps do not know parliamentary procedure.

Mr. Deputy-Speaker: I am bound to see that repetition is not allowed in the House.

Pandit Thakur Das Bhargava: How can you presume that he is going to repeat the same arguments; he may have some new arguments to put forward.

Mr. Deputy-Speaker: Anyway, I shall hear the hon. Member.

श्री भट्ट: मेरा संशोधन यह है कि सफ़ा ३, लाइन १३ में 'मे (may)' की जगह 'शैल (shall)' कर दिया जाय। माननीय उपाध्यक्ष जी, मैं ने अपने भाषण में जो बात कही थी, और यहां जो बात मैं अपने संशोधन में बतला रहा हूं वह अलग है और इस लिए मैं माननीय मंत्री जी से कहना चाहता हूं कि वह इन शब्दों पर ज़रा ग़ौर से ध्यान दें। मैं जो इस संशोधन में कह रहा हूं वह यह चीज़ है जहां कि कहा गया है:

"The Central Government may refer to the Commission for inquiry and report any matter requiring in its opinion."

अब इन शब्दों की तरफ़ आप ध्यान रखिये। मैं यह चाहता तो ज़रूर हूं गवर्नमेण्ट कोई प्राईमा फ़ेसी (*prima facie*) केस बनाने में न पड़े लेकिन इस संशोधन में वह नहीं दुहरा रहा हूं। मैं यह कह रहा हूं कि गवर्नमेण्ट की राय में जो केस मुनासिब हो वह केस उन्हें रिफ़र (refer) करना ही चाहिये, यह बात है। आस्ट्रेलियन ऐक्ट में जो बात थी वह तो अलग थी। उस के ऊपर मैं नहीं जा रहा हूं। आस्ट्रेलियन ऐक्ट में तो यह है कि:

"The Minister shall refer any matter".

Shri Sidhva: Australian Minister was quoted by him. He is repeating it.

श्री भट्ट: मेरी मंशा यह है कि जो केसेज (cases) गवर्नमेण्ट के पास आवे उन में से जिन को वह प्रोटेक्शन (protection) के लिए मुनासिब समझे उन केसेज के लिए है, 'शैल रेफ़र (shall refer)' न कि 'मे रेफ़र (may refer)'। क्यों कि 'मे' का अर्थ है कि 'मे (may)' या 'मे नाट (may not)'। इस लिये मैं कहता हूं कि जो केसेज गवर्नमेण्ट की राय में ऐसे हों उन को ज़रूर रेफ़र करे। अगर गवर्नमेण्ट की राय में कोई प्राइमा फ़ेसी केस है तो उस के लिए 'शैल रेफ़र' होना चाहिए न कि 'मे रेफ़र'। यही बात है। TW

(*English translation of the above speech*)

Shri Bhatt: Sir, I move: In page 3, line 13, *for* "may" *substitute* "shall".

[Shri Bhatt]

Sir, what I am suggesting through this amendment is quite different from what I submitted during my speech and therefore I would ask the hon. Minister to consider these words a little more carefully. My amendment relates to that part where it has been provided that "The Central Government may refer to the Commission for inquiry and report any matter requiring in its opinion." I want these words to be carefully noted. I do wish that the Government should refrain from making any *prima facie* case on behalf of any industry but I am not repeating that thing in my amendment. I am only submitting that the Government must refer those cases which are fit in their opinion. The provision in the Australian Act was different. I am not discussing that. The Australian Act provides, "The minister shall refer any matter".

Shri Sidhva: Australian Minister was quoted by him. He is repeating it.

Shri Bhatt: What I wish to submit is that it should be 'shall refer' and not 'may refer' for those cases which deserve protection in the opinion of the Government, because 'may' means both 'may' or 'may not'. Therefore I submit that all such cases must be referred by the Government. It should be 'shall refer' and not 'may refer' for a case which is a proper *prima facie* in the opinion of the Government. That is all.

Mr. Deputy-Speaker: The point appears to be a little different from what I originally understood it to be. What he wants to say is that if in the opinion of Government any industry deserves protection, no action shall be taken either by way of act, or otherwise, until the Tariff Commission is asked to give its report.

Shri Mahtab: The reply to that is this. The hon. Member feels that Government should form its opinion only on the basis of an enquiry by the Commission. But what is the tangible shape of forming that opinion? It is only by sending the application of the industry to the Commission. Otherwise this clause has no meaning.

Mr. Deputy-Speaker: His only object appears to be to make it obligatory on Government to go through the process of having the opinion of the Commission before any action is taken.

I shall now place the amendment before the House. Amendment moved:

In page 3, line 13, *for* "may" *substitute* "shall".

It does not interfere with the discretion of the Commission.

Minister of State for Transport and Railways (Shri Santhanam): That is only one aspect of the question. The other aspect is that whenever at any international conference Government happened to agree that a particular industry might require protection, then it can go to a court of law and demand that its cases should be referred to the Tariff Commission. Legal obligation can be enforced by third parties when it is put in a statute. We do not want that an industry should have the right to compel the Government and go to a court and say that its case should be referred to the Commission.

Pandit Thakur Das Bhargava: Otherwise the purpose of the establishment of the Commission is not achieved. After all when the Government has come to the conclusion that the matter requires enquiry, it should be obligatory on them to refer it to the Commission.

Minister of Home Affairs (Shri Rajagopalachari): The difference is rather delicate, but important. The word "may" carries with it inherently the right to come to an opinion. The word "shall" excludes any discretion in the matter. If instead of the word "may" we have the word "shall" what will happen is that the opinion of Government becomes a matter of fact which can be taken to a court. The opinion, instead of being an opinion, a thing of fluidity, becomes a question of fact which can be proved. So that, if it is the intention to leave it to the Government to come to an opinion, it is best left by the word "may" rather than by converting it into a judicial fact which may be enquired into.

Pandit Thakur Das Bhargava: Supposing the Government is of opinion that a particular industry requires protection—can the Government without referring it to the Board give protection on its own initiative.

Shri Rajagopalachari: That is a different matter. By introducing the words "if in its opinion something is the case, then it shall do something" we convert an opinion into a probable fact, which will lead to complications.

Shri Venkataraman (Madras): I desire to draw the attention of this House to the corresponding legislation and the way in which it has been interpreted in courts.

In the Industrial Disputes Act, with which I am familiar, Government is given the option of referring cases where a dispute exists to adjudication. The courts in Madras particularly interpreted that as a question of fact whether or not an industrial dispute existed and if such a dispute existed they recently held the Government shall refer that dispute to a tribunal. That is why, Sir, when this matter was taken up in the Select Committee of the Labour Relations Bill—of which you presided—we changed that clause into "if in the opinion of Government an industrial dispute exists, Government may refer that dispute to a tribunal." The question is whether the Government has the discretion or not to refer a matter to the Tariff Commission. If the Government has the discretion then certainly we ought to presume that it will exercise the discretion properly and that it will look into all the circumstances and say whether the matter should go before the Tariff Commission or not. But if you introduce the complication "if in the opinion of the Government the matter should be referred to the Commission, then it shall be referred" it would really be a contradiction in terms, because in the first part of it a fact is to be established, namely, whether there is a case for going before the Tariff Commission or not, and in the second place it makes it obligatory on the Government to refer that matter to the Tariff Commission. The force of the clause "if in the opinion of the Government"—that discretionary power vested in the Government by that clause—will be taken away by your subsequent word "shall". Conversely the force of the word "shall" will be taken away if the opinion of the Government is different. Therefore no purpose would be served by introducing Mr. Bhatt's amendment. On the contrary it is likely to confuse the interpretation of that clause, as it has done in some other legislation. My suggestion therefore is that the clause should stand as it is and that if it is amended as Mr. Bhatt suggests it would cause confusion in the interpretation and may embarrass the Government.

Mr. Deputy-Speaker: If the matter is one of substance I think the House must understand the position before it votes. As I understand it the matter is one of substance. Whether the amendment as moved by Mr. Bhatt will serve the purpose or not, or whether a separate clause ought to be introduced to achieve that object is another matter. His idea is let us assume that the Government comes to a conclusion with respect to a particular industry, that it should be given protection. Can it come straightway to this House, saying that protection ought to be given? What Mr. Bhatt wants is that in all cases where protection is sought to be given the matter should first be enquired into through the intermediary agency of the Tariff Commission and no further steps should be taken in the mean time by way of introducing a Bill and so on. That seems to be a matter of substance. If, however, the introduction of the word "shall" here will lead to any complication as giving a handle to industries and enabling them to go to a court for a writ of mandamus etc., then the object has to be achieved by the introduction of a clause at a suitable place to the effect that "no Bill for giving protection shall be sponsored unless the question of giving protection has been considered by the Tariff Commission". It is a matter of substance. The House may come to a conclusion one way or the other. But I think that is the object of introducing the amendment.

Shri Mahtab: Sir, I was going to explain that very point, but as you were pleased to say that other Members had the right to speak I did not do so. I was going to explain that in this Bill subsequent provisions have been made as to how to dispose of the reports of the Tariff Commission—that when the Tariff Commission submit their final report the Government will come to a decision and place it before Parliament. You know very well, Sir, that it was also discussed in the Select Committee as to how that decision will be given effect to. It will be given effect to by an amendment of the Schedule of the Tariff Act. That is the usual procedure. Now, Parliament has got ample opportunity to enforce that no proposal should be made by Government for giving protection except through the Tariff Commission's report. That can be enforced by Parliament on Government. If this Bill were to provide that the Government "shall not come forward before Parliament to amend that law unless an enquiry has been made by the Tariff Commission" it becomes a cumbrous provision. I do not know how it will be put in words. That is the position.

Shri Goenka: It is a matter of principle no doubt, but there is one aspect of the question. There may be some cases in which the Government may like to come before this House without going to the Tariff Commission. After all, this House is a supreme body and

[Shri Goenka]

therefore if the Government think that there is an urgency in regard to a particular matter and the facts were absolutely clear beyond all reasonable doubt, then, if they come before this House, this House, if it feels that the matter must be enquired into by the Tariff Commission first and should not come before it before being looked into by the Tariff Commission, it will say so.

Mr. Deputy-Speaker: There is another emergency legislation already passed.

Shri Goenka: If we change the word "may" into "shall" it will lead to a lot of complication and it will take away the right of the Government to come before this House. I am not envisaging a situation in which the Government will ordinarily come to this House before going to the Tariff Commission, but there may be some occasion.

Mr. Deputy-Speaker: There is another Act recently passed for that purpose—amendment of section 2A of the Tariff Act.

Shri Goenka: That was for a very temporary period. And it provides that afterwards they will send it to the Tariff Commission. That was an emergency Act. But in some cases Government may like to come to the House where there is absolutely no reasonable doubt. I therefore think that the wording should be left as it is.

Mr. Deputy-Speaker: It is for the House to decide.

Pandit Thakur Das Bhargava: In so far as the question of any complication is concerned may I say a word? As Government is the ultimate authority to decide whether any matter is to be referred to this Commission or not I would submit that I am in favour of the view that the word of the Government should be the last on the subject. But at the same time I am very anxious that when we are establishing a Commission like this the Government should not be able to give protection to any industry except through the recommendation of the Tariff Commission.

Now, with a view to secure this one way is that we may have a separate clause that whenever a question of protection arises then the report of the Tariff Commission on that question would be absolutely indispensable. If we have a clause like that, in that contingency this will also be protected and the other thing also will be possible. But if we do not change the word into "shall" and the word "may" is allowed to remain here, the Government in some cases can come to this House without the recommendation of the Tariff Commission, which we really do not want.

My friend's fear that the Government will not be able to do anything must be regarded as dispelled by your own suggestion, Sir, that they can in an emergency come to this House. But the matter must be referred to the Tariff Commission. Otherwise there is no meaning in the appointment of this Commission. We must ensure that before the Government comes to the House the Tariff Commission must be consulted.

If the substitution of the word "shall" raises any complication we must have another clause. But I do not see any complication at all. What is the complication? If it is the opinion of the Government that protection should be given, this is a proper case which must go to the Tariff Commission. In my humble opinion there is no fear of any complication arising. But if there is a genuine fear in that respect I would respectfully submit to the hon. Minister to just draft another proviso to this clause saying that in all cases in which protection is to be given it must be on the recommendation of the Tariff Commission.

Mr. Deputy-Speaker: I will make one suggestion. The substitution of the word "shall" for "may"—even if the Government should accept this principle—may give a handle to those people on that ground. Therefore this might not be suitable. But that provision can be made—if the Government and the House agree—by bringing an amendment to the last clause that no action shall be taken by the Government before obtaining the recommendation of the Tariff Commission. I mean if it is the desire of the House then it can be considered. And this amendment need not be pressed now. The matter may be left over now and the purpose achieved by way of another amendment in a suitable place. Therefore I would suggest that this need not be pressed at this stage because it is open to some other objection, namely that it may give a handle to some industry. Suppose somewhere say, at a meeting of some Chamber of Commerce the Minister for Industry says: "Yes, yes, we are under the impression that this is a fit case for protection". Possibly after waiting for a reasonable period the concerned industry may go to a court of law. I do not

know how far that proposition is valid. Anyhow, why allow a loop-hole? If it is a matter of substance it can be talked over and a suitable amendment brought. I would therefore urge the hon. Member not to press his amendment. Of course I leave it to him.

श्री भट्ट: आप की सलाह के मुताबिक मैं इस पर आग्रह नहीं करता हूं।

[**Shri Bhatt:** I do not press it, on your advice.]

Mr. Deputy-Speaker: He does not press it. Has he got the leave of the House to withdraw his amendment?

The amendment was, by leave, withdrawn.

Shri Jhunjhunwala: I beg to move:

In page 3, line 16, *after* "duties" *insert*:

"or by quantitative restrictions on import".

Sir, in my opinion this method of protection has been the most effective method, I mean quantitative restrictions.

Mr. Deputy-Speaker: It is not excluded Other suitable forms in exceptional cases are also there. Is it necessary to have that amendment?

Shri Jhunjhunwala: I want to make it explicit there because I regard it as a very effective method.

Mr. Deputy-Speaker: This has been sufficiently discussed for and against. I have no objection to place it before the House. Should there be any further argument on this matter?

Shri Jhunjhunwala: What I wanted to point out was that quantitative restrictions are a very effective method for this purpose. In our textile industry this has not progressed so well because when the mills were started in India, all the foreign goods were coming. Of course, it will be to the disadvantage of the consumers for some time. They will have to use inferior quality of things and they might have to buy at a higher price. Unless the consumers also accustom themselves to these things, our industry cannot progress. By this I do not mean that those industries for which protection has been given, should misuse it. If they do that the Tariff Commission and the Government ought to be strict about it and see they do not misuse it. The consumers also must take it into their heads that they will be using materials produced in our own country and unless they do so, it will take a long time before we can improve our national industry.

Mr. Deputy-Speaker: The hon. Minister does not accept it. We have had sufficient discussion over this already.

Pandit M. B. Bhargava (Ajmer): May I know whether it is the intention of Government to provide quantitative restrictions in other suitable forms? It was said in exceptional cases but not normally as reported by the Fiscal Commission.

Mr. Deputy-Speaker: I think it is not necessary to place this amendment before the House.

Shri Jhunjhunwala: No, Sir. I do not press it.

Shri Sidhva: I beg to move:

In page 3, line 16, *omit* "or in any other suitable form".

The original Bill did not contain these words. It seems the Select Committee have added them.

Mr. Deputy-Speaker: "In any other manner" was there. The language has been modified.

Shri Sidhva: Even then, I will like to know about it. Subsidy is an exhaustive word and then there is protection.

Mr. Deputy-Speaker: Other non-fiscal measures.

Shri Sidhva: I would like to have an illustration. It should not be misused. It is a very vague term and it gives very wide powers. What I say is I do not understand what the Government means by "any other suitable form". I do not want to give the Commission any wide powers and 'suitable form' may be interpreted in a different way. I would like to know whether it is the Select Committee's considered view or if it is the Government's view. It may be that it is protection against duty or a subsidy. I would like to know the implication of the words 'any other suitable form'.

Shri Mahtab: Yesterday, I gave some instances as in the case of Soda ash. Apart from other protections, the Tariff Board recommended that the railway freight for coal should be reduced and it should be at a concessional rate. That was a sort of help. Similarly with local taxes. The Tariff Commission may recommend that with regard to such and such industry the

[Shri Mahtab]

incidence of taxation should be lowered. We must give them freedom to make that kind of recommendation. Otherwise they would confine their recommendations only to tariff and subsidy and in that way we would be tying their hands.

Shri Goenka: I made a categorical point whether it was the intention of the Government to use quantitive restrictions and I wanted a categorical answer from the Government in regard to their policy. In his reply the hon. Minister did not answer that point at all I would like to know whether the Government accept the report and the recommendations of the Fiscal Commission in regard to the quantitative restrictions and whether any other form will include quantitative restrictions. It is a very important matter and I would like to know the attitude of Government and if it is the intention that they would like to introduce quantitative restrictions under the clause in any other form, then I would like to support the amendment of Mr. Sidhva and not give them any opportunity to use quantitative restrictions which might directly affect the living cost of the people of this country.

Shri Karmarkar: I welcome this opportunity of explaining what our attitude has been in respect of quantitative restrictions. Here in our administration or outside in international conferences it has been the policy of Government to hold the view that quantitative restrictions as such are not a very healthy measure for protection. This question was also there in the international conferences and owing to our efforts we were able to have a concession made in favour of quantitative restrictions firstly in respect of such industries that have grown during the war time and secondly, in respect of such industries for which the raw material is available in the country. In respect to these two categories, it has been said by all parties that quantitative restrictions by an under-developed country are perfectly legitimate as a measure of protection. Broadly we have not favoured the adoption of quantitative restrictions as such as a measure for protection. We have always maintained that tariff duties are the best way of protection and I should like to elucidate that point by an instance which has happened very recently. As the House is very well aware our production of raw silk in the country is about 2 million lbs. What we have to import if we are to meet the full requirements of our silk industry is another 2 million lbs. Owing to the exigencies of our foreign exchange it was not possible for us to import raw silk to any substantial measure during 1949 and 1950. On account of the fact that we did not import to an appreciable measure this extra amount required, the rates within the country rose somewhere from Rs. 30 a lb. to Rs. 60 a lb. largely to the detriment of the weavers and the consumers. Now in this case we have been urged to adopt quantitative restrictions as a measure of protection to this industry. In accordance with our view we have maintained that the best way of protecting the industry would be to put in a tariff duty sufficiently high to cover the gap of the cost of internal production and the landed cost of the foreign goods of a similar variety. For example if a particular commodity has a landed cost, say of Rs. 20 in the Port of Bombay and the internal cost of production is Rs. 30 then the best way of protecting that particular industry would be to cover the gap of the landed cost and the internal production by a suitable duty i.e., not less than Rs. ten so that any foreign commodity of a similar kind cannot come inside the country at any price less than that of the internal commodity. So in this particular case any landed commodity would sell at Rs. 31. My specific answer to the question of Mr. Goenka is that we entirely agree with the Fiscal Commission that quantitative restrictions may be used as a measure of protection in exceptional cases. The decision of the Government is that we do not want to adopt quantitative restrictions in all cases. I will put it the other way. We have to think in terms of expanding industries. If we adopt quantitative restrictions against other countries' commodities then that weapon is available to be used by other countries against our own production. The House will appreciate that during the last two or three years the complexion of our exports has largely changed from exporting raw materials to that of exporting finished goods and if we are interested, as we must be to see to it that this expanding export trade increases, we shall have to see to it that we do not forge a weapon for protecting our industries which will also happen to be a weapon placed in other peoples' hands. In the interests of the country and the expanding industry itself and in the interests of our expanding foreign trade, we hold the view that quantitative restrictions as such will not be adopted for protective purposes except in exceptional cases. That is the position.

11 A.M.

Shri Hussain Imam (Bihar): May I submit that I wish to examine these words "in any other suitable form"

from a different angle than has so far been urged? I regard it as a measure of surrender on the part of the House of its rights to examine the policy of the Government in the matter of protection. If we give this power to the Government that they may adopt any suitable form, it would mean that, in effect, this House will have no control over that.

Shri Goenka: It is bound to come before the House.

Shri Hussain Imam: It may not come before the House. I will explain to you. If they decided to reduce the duty on imported raw materials, as for instance, if they want to reduce the duty on imported silk yarn, there is no need for the Government to come before the House. The Government has absolute right to reduce the duties. They have absolute right to restrict imports.

Shri Goenka: The question will be whether it will be protective duty or whether it is revenue duty. If it is revenue duty, they need not come; if it is protective duty, they are bound to come.

Shri Hussain Imam: Reduction of duty is within the purview of the Executive Government; the House has no *locus standi*. Enhancement only has to come to the House.

Shri Karmarkar: May I interrupt the hon. Member, so that he may not develop a wrong argument? The powers of the Government are laid down in an enactment which is available to the hon. Member. Section 3-A of the Indian Tariff Act provides that where the Central Government upon a recommendation made in this behalf by the Tariff Board acts in an emergency, as my hon. friend very well knows it can act, but that would be only after a recommendation of the Tariff Board and as the matter stands at present, if it acts, it has to come before Parliament before such and such specified time.

Shri Hussain Imam: For enhancement and fixation of new duty. But, you may take action for reduction of the existing duty. If you do that, there is no need to come to the House.

Mr. Deputy-Speaker: Government has to make up its mind. It will do so through the agency of the Tariff Commission. No doubt the power is there. The duties can be reduced. It is not as if it is obligatory; but they will refer to the Tariff Commission every case.

Shri Hussain Imam: By inserting the words "in any other suitable form", what we are doing is that we are empowering the Government to take measures of protection in which they need not come to the House. It will be a matter of grace on their part if they do come; but it will not be a matter of necessity. If we do not give this power by saying "in any other suitable form", whatever method of protection they decide, they have to come to us and ask the sanction of this House. That is the one point which I want to point out. I have another fear also.

Shri Santhanam: May I point out to my hon. friend that his argument is that Government need not refer such matters and may take action on their own initiative. We are saying, refer it to the Tariff Commission. If my hon. friend says that the matters should not be referred to the Tariff Commission, Government will simply say, we cannot refer them to the Tariff Commission, and we must take action.

Mr. Deputy-Speaker: He is anticipating some later clause where it is said that any action on the report of the Tariff Commission should be taken only with the sanction of Parliament. There may be freight reduction or some other tax reduction. He is objecting to the words "in any other suitable form". He has at the back of his mind that all such forms of protection may have to come before the House whether they are tariff protection or not. You are avoiding that contingency. Possibly, the hon. Member could have reserved it to the end.

Shri Hussain Imam: May I just point out to the Chair that my hon. friend Mr. Santhanam wants to confine us to the clause itself. We have to look at the clause as it will have effect on the Act as a whole. What I am trying to bring to the notice of the House is that the Government may take action for which there is no necessity to come to the House. It may have certain bad effects. I am glad that the hon. Deputy Minister of Commerce pointed out to us the action he has taken on the question of silk imports. He has so modified the duty that the landed cost of imported silk will not be less than Rs. 31 which is slightly higher than the internal cost of production, a few months before. I say that there is nothing in the Act as you are now framing to debar the Government from so reducing the duty that the landed cost may be lower than the internal price and thereby cause hardship to the growers and producers of raw materials. All these interests have got to be taken into consideration. It is not only in the interests of the manufacturers that we are framing the Tariff Bill. You must also consider

[Shri Hussain Imam]

the two other factors in this triangular team, the producer, manufacturer and the paymaster of all, the consumer. After all is said and done, the endeavour should be to help the consumer to get things ultimately at cheaper rates than imported goods, free of duty. I want this thing to be borne in mind.

Mr. Deputy-Speaker: Is it not provided in sub-clause (e) of clause 11? It is said:

> "further action to be taken in relation to the protection granted to an industry, with a view to its increase, decrease, modification or abolition etc."

It will normally go before the Tariff Commission.

Shri Hussain Imam: They may refer to the Commission. The question is whether this House has *locus standi* or not, to go into that? My point is, as I said, a very restricted point. By giving this power, we are ourselves surrendering certain powers to the Government and I do not wish that to happen without suitable safeguards. If the Government is prepared to make a suitable amendment so that all actions will be referred to the House, I shall be satisfied. My only objection is that as it is worded at present, the loophole is there to enable Government to undertake executive action for the purpose of protecting an industry which may not be in the best interests of all concerned. For instance, as was pointed out by one of my friends, Mr. Jhunjhunwala, he wanted that there should be restriction in imports so that people may get accustomed to the use of Indian goods. I am sure that the opinion expressed by the Deputy Minister was perfectly correct that this method of restricting imports should be used only in exceptional cases, and rarely, if ever. Because, I do not want that my consumer should be forced to use inferior goods at a higher price because some industry has got to be protected.

Mr. Deputy-Speaker: How is all that relevant to the amendment on hand?

Shri Hussain Imam: I am referring to "any other suitable form".

Mr. Deputy-Speaker: "Any other suitable form" is for the grant of protection and not for decreasing the quantum of imports.

Shri Hussain Imam: As the hon. Deputy Minister said, that includes quantitative restriction in imports. He is perfectly correct and I am supporting the Government. I am only pointing out that in making this measure, the interest which we want to safeguard is that of the fourth party, the legislature. What measures are we taking to safeguard the interests of Parliament that it will have the right to examine the action by you on the advice of the Tariff Commission. Is the Government prepared to give in and surrender their executive right which they have now got? I am not saying that they are taking any extra powers. My contention is that they have inherited certain powers from the British Government, and I wish to have a part or a share in that power also.

Mr. Deputy-Speaker: There is clause 16 for all that.

Shri Goenka: May I draw your attention to sub-clause (2) of clause 16 in which it has been definitely provided that a copy of every final report made to the Central Government, together with a report of the action taken thereon by the Central Government under sub-section (1) shall be laid on the table of Parliament within three months.

Shri Hussain Imam: Will Mr. Goenka kindly excuse me? Is there any provision here that this report will be discussed by this House? We have known hundreds of reports laid before the House and never time has been found or given to discuss that. Can he point out any single instance where it is made compulsory for the Government to lay before the House and.....

Shri Mahtab: On a point of order, if the hon. Member is insisting upon that amendment, he should wait till that clause comes up. Let us pass clause 11 and proceed.

Shri Hussain Imam: I am only drawing the attention of the House and the Minister to the lacuna and to my desire to protect the interests of Parliament.

Mr. Deputy-Speaker: That does not arise out of this amendment.

Shri Sidhva: My amendment is there. I am sorry.....

Mr. Deputy-Speaker: The hon. Member has no right of reply.

Shri Sidhva: I have not moved it; I wanted to hear.....

Mr. Deputy-Speaker: No, no; the hon. Member has moved it. He has said sufficiently on that. I just wanted to know the reaction of the Government. I thought that the hon. Member was not interested in pressing it. Otherwise, I would have placed it before the House and taken the opinion of the House. Enough discussion has been had.

Shri Sidhva: The hon. Minister said as an illustration, concession will be given in railway freight.

Mr. Deputy-Speaker: Railway freights, local taxes, raw materials, etc.

Shri Sidhva: My point is this. Terminal taxes, octroi and sales tax may come in. Would it be proper to give this power wholesale to the Commission to encroach upon the rights of the local bodies and State Governments without going into it? It will be most unfair.

Mr. Deputy-Speaker: It is only recommendatory. With one breath the hon. Member wants to help the industries and with the other he is anxious to safeguard something else.

If the hon. Member wants it, I shall place his amendment before the House for its vote.

The question is:

In page 3, line 16, *omit* "or in any other suitable form".

The motion was negatived.

Prof. K. T. Shah: My amendment is somewhat opposed to that of Mr. Sidhva. I beg to move:

In page 3, line 16, *after* "in any other suitable form" *insert*:

> "or combination of forms detailed in the rules made under section 24 of the Act".

Mr. Deputy-Speaker: Can we not take that because the singular includes the plural also; "in any other suitable form" includes also the combination of forms?

Prof. K. T. Shah: But this may be provided for in the rules elaborated in this Bill and may be mentioned in the rules. The rules should be part of the Act and perhaps this might to some extent meet the objection raised by my hon. friend Hussain Imam and the House may have the right to consider these various forms. The rules may embody these forms. The forms are quite numerous and I am quite willing to leave it to the discretion of the Commission as to which of them is to be applied in which particular case. But I would like this to be mentioned specifically. The House will remember that while speaking on the general terms of this part of the Bill I had to say that there are a number of forms. The Legislature should lay down in the rules if not in the body of the Act the various forms which are suitable or found suitable in other countries and may be used in this country. I do not want to take up any more of the time of the House on this matter beyond saying that if you include this form or combination of forms as laid down in the rules, I should be satisfied. The rules are part of the Act.

Mr. Deputy-Speaker: Very well will put it to the House.

Prof. K. T. Shah: There is still another point. I have two more amendments, Nos. 56 and 57 and if you permit me, I shall move them. It is just to save time.

Mr. Deputy-Speaker: Very well.

Prof. K. T. Shah: I beg to move:

In page 3, *after* line 33 *insert*:

> "(iv) or adopting terms and conditions of work for the industrial workers engaged in the enterprise which evade or do not comply with the laws relating to industrial relations between workers and employers, Trade Unions, Wages, Workmen's compensation or Insurance and other legislation of that kind."

The items on which Government may refer the matter for investigation and report by the Tariff Commission have been enumerated in this clause and I am adding to the enumeration by this amendment of mine. I want that the labour conditions may be suitably attended to and that if there is any evasion or any definite opposition to the provisions or infraction of them, then I think it would be a fit case for reference to the Commission. We know of cases, again and again, where by the grant of protection the employers had benefited, and in computing the cost of production they always include the labour cost. But I would like to say here that the benefits of such protection granted to the industry and the benefits of such development of the industry should also be given to the workers engaged therein. We have passed laws, a number of them recently, but there is not a single code of labour yet passed in this country. I have, therefore mentioned the most important laws which are or may be evaded or broken and therefore the Tariff Commission should be empowered to deal with such matters, enquire into them and report how far the grant of the protection is one-sided, I mean the benefit of protection has been rendered one-sided, by such devices. That is one thing.

[Prof K. T. Shah]

The next one is with regard to the smaller or cottage industries. We are trying to enumerate the ways in which assistance may be given by Government for the benefit and development of small industries. I beg to move:

In page 3, *after* line 36 *insert*:

"(f) any matter of organisation, finance, marketing, management, equipment or technical training of the workers, concerning any small scale or cottage industry worked by the worker with his own or his family's labour, in his own home and with his own tools or implements operated mainly by human energy."

The latter part is only a definition or description of what should be regarded as small scale or cottage industry. The former tries to categorise the directions in which these industries should organise themselves if they require assistance, and I suggest that this should be made part of the matters in which Government may call for the Tariff Commission's enquiry and report and then grant suitable protection in any form that may be provided for under the rules. I take it that this will be quite innocuous even though I moved it and would be accepted.

Mr. Deputy-Speaker: Amendments moved:

(i) In page 3, line 16, *after* "in any other suitable form" *insert*:

"or combination of forms detailed in the rules made under section 24 of the Act".

(ii) In page 3, *after* line 33, *insert*:

"(iv) or adopting terms and conditions of work for the industrial workers engaged in the enterprise which evade or do not comply with the laws relating to industrial relations between workers and employers, Trade Unions, Wages, Workmen's compensation or Insurance and other legislation of that kind."

(iii) In page 3, *after* line 36, *insert*:

"(f) any matter of organisation, finance, marketing, management, equipment or technical training of the workers, concerning any small scale or cottage industry worked by the worker with his own or his family's labour, in his own home and with his own tools or implements operated mainly by human energy."

Shri Sarangdhar Das (Orissa): I wish to support amendment No. 56 of Prof. Shah. It may be recalled that when this Bill was being referred to Select Committee, I had mentioned this aspect of the tariff protection given to an industry, that it should be stipulated that the industry which gets protection should also afford facilities to the workers, not only with regard to wages, but also with regard to their living conditions, housing etc. I regret very much that this point was not taken note of in the Select Committee. I therefore support Prof. Shah's amendment in this respect.

Shri Venkataraman: It may look very strange that I should stand up to oppose this amendment. I do so, not because I do not want any of these facilities for labour, or that it should not be protected in the matter of the conditions of work and other things. But I oppose the amendment because I find that the forum suggested is not the proper one. The Tariff Commission holds enquiries in which labour is not represented and the decisions arrived at there are largely *ex-parte* labour. Besides that, there are other institutions specifically created by the Statute for the protection of labour. For instance, wages and conditions of labour are determined by industrial tribunals. If the Tariff Commission makes a cursory enquiry and comes to certain findings and the industrial tribunals come to some other findings we would be caught in a whirlpool of confusion. Besides, the tribunals are more competent to go into the question of wages and conditions of labour than the Tariff Commission, a body which looks more after the growth of industry than to the protection of the interests of labour. I therefore submit that this amendment ought not to be accepted. The various institutions which are already in existence for the protection of labour should be strengthened if the object of Prof. Shah's amendment is to be carried out.

Shri Mahtab: I do not know how the interests of labour or cottage industries can be brought within the scope of this Bill. This Bill has the definite purpose of protecting indigenous industries against competition from foreign industries. Those who are enthusiastic about labour welfare should know that it is not within the powers of the Tariff Commission to make any recommendations on that matter. If the Tariff Commission is empowered to make investigations into labour conditions and make recommendations as suggested by Prof. Shah, I do not know how Government can enforce them with the help of the Tariff Act and the Act governing the Tariff Commission. I do not know how

these matters are relevant with regard to this Bill. If the Deputy-Speaker is not pleased to disallow these amendments as being out of order, I would strongly oppose them.

Mr. Deputy-Speaker: The question is:

In page 3, line 16, *after* "in any other suitable form" *insert*:

"or combination of forms detailed in the rules made under section 24 of the Act".

The motion was negatived.

Mr. Deputy-Speaker: I shall put amendments Nos. 56 and 57 together. So far as No. 57 is concerned it does not relate to a question of protection. However, I leave it to the House instead of myself taking the responsibility to decide whether it is or is not in order. The ultimate court of appeal is the House.

The question is:

(i) In page 3, *after* line 33, *insert*:

"(iv) or adopting terms and conditions of work for the industrial workers engaged in the enterprise which evade or do not comply with the laws relating to industrial relations between workers and employers, Trade Unions, Wages, Workmen's compensation or Insurance and other legislation of that kind."

(ii) In page 3, *after* line 36, *insert*:

"(f) any matter of organisation, finance, marketing, management, equipment or technical training of the workers, concerning any small scale or cottage industry worked by the worker with his own or his family's labour, in his own home and with his own tools or implements operated mainly by human energey."

The motion was negatived.

Shri Sidhva: I beg to move:

In page 3, *after* line 19, *insert*:

"Provided that protection given to the industry which has not started production shall be subject to withdrawal if at any stage the Commission finds the protection is misused or the purpose for which protection is given is not likely to serve.

Provided further that no industry which has not started production shall get protection and if it is meant for experimental purpose."

Mr. Deputy-Speaker: Under the Act the Government has always power to withdraw protection.

Shri Sidhva: This relates to the protection given to an industry which has not started.

Mr. Deputy-Speaker: There is general power to increase, decrease, modify or abolish the protection given to an industry according to the circumstances of the case.

Shri Sidhva: But is not mentioned specifically. It is said that it should be referred to the Planning Commission, if the Tariff Commission is of the view that they must stop giving protection. I am making a definite provision to that effect.

This is a new clause that we are inserting and we should be very careful in giving protection to an industry which has not started. Or supposing an industry starts with a capital of five or ten lakhs to make an experiment, it should not be given protection. If you allow such a provision to exist without proper safeguard against misuse, the consumers' interest will suffer. I therefore feel that both the provisos with regard to protection of those industries which have not started should be adopted. It is very necessary at an earlier stage to see that this power is not misused. We gave protection to one industry in the past and my information is that it has not worked out satisfactorily. I therefore wanted that these provisos should remain so that the Commission may know what is the feeling of the House in this matter regarding new industries. That is the only point which I want to stress.

Mr. Deputy-Speaker: Is it necessary that I should put it to the House?

Shri Sidhva: No, Sir. I do not press it.

Mr. Deputy-Speaker: The question is:

"That clause 11 stand part of the Bill."

The motion was adopted.

Clause 11 was added to the Bill.

Clause 12.—*(Reference to the Commission of additional matters arising out of protection)*

Shri Kamath: I beg to move:

In page 3, line 43, *for* "class of people" *substitute* "section of the community".

[Shri Kamath]

I shall be brief in commending this amendment for the acceptance of the House. The word "class" so far as I am aware is always used in a particular sociological sense and the House, I am sure, is very well acquainted with that specific use of the word "class". We are all familiar with phrases like "classless society" and "class struggle" as my Socialist friend Mr. Sarangdhar Das reminds me. That meaning of the word "class" is definitely understood and I am sure that this particular clause of the Bill does not refer to "class" in that sense. What is understood definitely is a section of the people or the nation. Therefore to my mind "section of the community" is far more appropriate in conveying the intended meaning of this particular clause.

Shri Mahtab: We accept that amendment.

Mr. Deputy-Speaker: The question is:

In page 3, line 43, *for* "class of people" *substitute* "section of the community".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 12, as amended, stand part of the Bill."

The motion was adopted.

Clause 12, as amended, was added to the Bill.

Clause 13.—(*Power of Commission suo motu to make enquiries*)

श्री भट्ट : आप ने जैसा फ़रमाया है कि वह सुझाव आयेगा इस आश्वासन पर मैं प्रैस (press) नहीं करता हूं ।

[Shri Bhatt: I do not press it in view of the assurance given by you that an amendment to that effect would be forthcoming.]

Pandit Thakur Das Bhargava: I propose to move amendment No. 13 in list No. 1, which stands in the joint names of Mr. Bhatt and myself. As a matter of fact, amendment No. 59 in list No. 5 also goes with this amendment and so with your permission I shall move both of them.

Mr. Deputy-Speaker: All right.

Pandit Thakur Das Bhargava: I beg to move:

(i) In page 4, line 4, *after* "clauses" *insert* "(a),"

(ii) In page 4, *after* line 5, *add*:

"Provided that in regard to clause (a) of section 11 the Central Government shall be authorised to stop the enquiry regarding any particular industry whenever it thinks such stoppage is necessary in public interest."

It appears that in clause 13, sub-clause (a) of clause 11 is not mentioned. I want that the Commission may be authorised *suo motu* to make enquiries, but at the same time, as I submitted yesterday, Government should have the last word. If Government do not like it they should be able to stop an enquiry. It has been proved to us that in many matters the Government is not fully careful about the industries and complaint has been made that Government have taken too long in referring certain industries for the report of the Tariff Board. Since the Tariff Commission is a very responsible and competent body with a permanent tenure, it should be given the authority to enquire *suo motu* in regard to these industries which may require protection. But if Government think that such an enquiry is not proper and in their view such an enquiry should not be allowed to be made Government may be given the power of veto. Sir, I gave all my reasons in support of this view at the time of the motion for consideration the other day and I do not wish to repeat them. I only wish that the House may be pleased to consider my amendments and accept them.

Shri Mahtab: Sir, I do not accept these amendments.

Mr. Deputy-Speaker: The question is:

(i) In page 4, line 4, *after* "clauses" *insert* "(a),"

(ii) in page 4, *after* line 5, *add*:

"Provided that in regard to clause (a) of section 11 the Central Government shall be authorised to stop the enquiry regarding any particular industry whenever it thinks that such stoppage is necessary in public interest."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 13 stand part of the Bill."

The motion was adopted.

Clause 13 was added to the Bill.

Shri Mahtab: There is a small mistake in clause 13. There is reference to sub-section (1) of section 11 here. Since there is no sub-section in clause 11 now these words should be omitted.

Mr. Deputy-Speaker: That is correct. In clause 13, line 3, the words, "of sub-section (1)" at the end of the line should be omitted. The draftsmen will do it.

Clause 14.—*(Principles to be taken into account in making any inquiry).*

श्री भट्ट: जो अमेंडमेंट (amendment) १४वीं धारा में हैं, उन में एक तो फ़ारमल (formal) है, सब-सेक्शन (sub-section) वाला हैं और दूसरा लेबर (labour) के साथ सम्बन्ध रखने वाला है । १४वीं धारा में आख़िर में एफ़ (f) के बाद जी (g) जोड़ना चाहता हूं 'The cost, efficiency and conditions of labour' जोड़ना चाहता हूं । फ़ारम ल अमेण्डमेण्ट जो है, उस को मैं मूव (move) करता हूं :

In page 4, line 8, *omit* "of sub-section (1)".

[**Shri Bhatt:** Out of the amendments to clause 14 one is only formal—that which deals with a sub-section and the other relates to labour. At the end of clause 14 after (f) I want to add (g) as follows:

'The cost, efficiency and conditions of labour.'

I now beg to move my formal amendment:

In page 4, line 8, *omit* "of sub-section (1)".]

Mr. Deputy-Speaker: The question is:

In page 4, line 8, *omit* "of sub-section (1)".

The motion was adopted.

Pandit Thakur Das Bhargava: I beg to move:

In page 4, lines 10 and 11, *omit* "in the principal growing, producing or manufacturing regions of India".

I gave all my grounds during the consideration stage and I also read out certain excerpts from the report of the Fiscal Commission. I have nothing to add.

Mr. Deputy-Speaker: The question is:

In page 4, lines 10 and 11, *omit* "in the principal growing, producing or manufacturing regions of India".

The motion was negatived.

Shri Jhunjhunwala: I beg to move:

In page 4, line 27, *after* "industries" *add*:

"if the latter (cottage and other small scale industries) are likely to be adversely affected the Commission shall provide for them adequate and full compensatory advantages."

While moving this amendment I would say, as I had pointed out at the time when it was referred to the Select Committee.....

Mr. Deputy-Speaker: How can the Commission provide for compensation?

Shri Jhunjhunwala: That is what I am going to suggest—as to how it should be done.

Mr. Deputy-Speaker: The effect of protection on cottage industries is already mentioned. What is the need for this appointment?

Shri Jhunjhunwala: By giving protection to an industry, if a cottage industry in the area suffers and its labour is thrown out of employment, is not the Government going to take any steps to put those labourers in any other employment or give protection to that cottage industry?

Mr. Deputy-Speaker: It is provided in the Bill that the Commission shall have due regard to the effect of protection, if granted to an industry, or other industries, including cottage and other small scale industries.

Shri Jhunjhunwala: I would like to know in what way the Commission will take it into consideration. Will it take into consideration the effect on labour and other things and will it therefore withhold protection?

Mr. Deputy-Speaker: That is the object.

Shri Jhunjhunwala: If that is the object and the hon. Minister says so, I have no objection.

Shri Mahtab: I cannot anticipate how the Tariff Commission will dispose of these things. I cannot give my opinion as the Tariff Commission's opinion. When we provide in this clause that the Tariff Commission will go into that matter it is incumbent upon them to do

[Shri Mahtab]

so. They will make investigations and make recommendations.

Mr. Deputy-Speaker: The question is:

In page 4, line 27, *after* "industries" *add*:

> "if the latter (cottage and other small scale industries) are likely to be adversely affected the Commission shall provide for them adequate and full compensatory advantages."

The motion was negatived.

Shri Kamath: I shall move amendments Nos. 60 and 61 of list No. 5. They are strictly verbal but somewhat substantial also. I beg to move:

In page 4, line 37, *for* "public" *substitute* "national".

I feel that in the context of this clause the word "national interest" would be more appropriate than "public interest". The use of the word "public interest" in clause 7 is in a different context. It is with regard to the removal of a member of the Commission. There "public interest" is more appropriate, but in my humble judgment where the effect of protection on industries is concerned the word "national interest" is far more appropriate.

Shri Mahtab: We accept it.

Shri Karmakar: We do so for this reason that this clause may affect any particular industry in any part of the country. It may relate to any section of the industry anywhere. So we have no difficulty in accepting the word 'national'. Otherwise, 'public' is as good as 'national'.

Mr. Deputy-Speaker: I am surprised how the hon. Minister has accepted it. It was discussed in the Select Committee and they chose 'public interest'. Supposing an industry in Assam is affected, is that in any way a national matter? It is a local matter. Although Government accepts it, hon. Members may consider this question. I shall place the amendment before the House.

Amendment moved:

In page 4, line 37, *for* "public" *substitute* "national".

Shri Venkataraman: As you have rightly pointed out, the words as they stand are quite in order. Supposing there is an industry located in Assam or in some remote southern corner of India, it may not be in the national interests to protect that particular industry. It may even be against the national interests, but it may be of public interest to protect that industry in that particular place. By using the words "national interests" does my hon. friend mean that if it is not of national interest, no industry will be protected? Again does it mean that if the industry is not of such a size and importance as to cover the whole of the nation it will not be protected? Or does it again mean that if it is against some national interest but is in the public interest of a particular place it will not be protected? I think the wording as it stands will serve the purpose intended by this clause.

Shri Kamath: It is not I alone but the Minister also had thought fit to accept it, but in any case, after the light you have thrown on this rather very intricate matter, I think that not much purpose will be served by my pressing the amendment to vote. I, therefore, beg leave to withdraw it.

The amendment was, by leave, withdrawn.

Shri Kamath: Next, comes my amendment No. 61. I beg to move:

In page 5, line 3, *after* "raw" *insert* a comma and "processed".

Only two classes of materials are referred to here—raw or manufactured, but technically speaking there is the process stage which is somewhere midway between raw and manufactured. There are materials and products which are processed, and though it would be wrong to call them manufactured, yet these are used in an industry. My intention is that these materials should come within the purview of this clause.

Mr. Deputy-Speaker: Amendment moved:

In page 5, line 3, *after* "raw" *insert* a comma and "processed".

Shri Hussain Imam: This amendment is a simple one. There are two kinds of things. One is a raw material. The other is a half-manufactured thing, which is called 'processed'. I would give you an instance. You have partially treated hides and skins. It is not exactly a raw material. Nor is it finished leather. In the case of certain articles we are unable to finish them and we have several industries which produce partially finished or processed articles for export. Is it in the interests of Government that such industries

also should enjoy protection, or should we leave them out? This amendment does not seek to exclude manufactured articles. It only seeks to include processed articles also. Thus, if it is accepted, it will only increase the usefulness of the provision and not detract in any way from it.

Shri Karmarkar: We do not accept it for the simple reason that manufacture includes processing. For example, a manufactured article may be used as a raw material for manufacturing another article. In any case, the word 'manufacture' includes every process and excludes only raw material.

Mr. Deputy-Speaker: There does not appear to be any doubt on the question. However, I shall put the amendment.

The question is:

In page 5, line 3, *after* "raw" *insert* a comma and "processed".

The motion was negatived.

Shri Sidhva: I beg to move:

In page 4, line 40, *after* "before" *insert* "or during".

Mr. Deputy-Speaker: How can protection be extended during the period—it does not convey any meaning.

Shri Sidhva: I mean when the enquiry is proceeding.

Mr. Deputy-Speaker: All that comes before the grant of protection. Grant of protection is a specific act; enquiry only precedes it.

Shri Sidhva: Then I do not press it. I beg to move:

In page 4, *after* line 46, *add*:

"Provided that any industry which does not improve the quality and produce output to its full capacity within two years from the date of protection shall forfeit the right of any kind of protection. Its application may however be considered by the Commission if the above conditions are fulfilled."

Mr. Deputy-Speaker: These are all matters of general advice, which cannot form part of any statute.

Shri Sidhva: Our experience in the past has been that once the Tariff Board has recommended protection, it has not bothered itself as to whether the industry has improved its quality or has fulfilled the target of output.

Mr. Deputy-Speaker: Quantity is provided for in clause (b).

Shri Sidhva: But I want to stipulate a definite period. However, I do not press my amendment.

Mr. Deputy-Speaker: These are matters which are better left to the Commission. I will now put the clause.

The question is:

"That clause 14, as amended, stand part of the Bill."

The motion was adopted.

Clause 14, as amended, was added to the Bill.

Clause 15.—(*Duties of the Commission*).

Shri Kamath: I beg to move:

In page 5, *after* line 16, *insert*:

"(iva) the effect of foreign capital in India on our industrial expansion in general, and on the expansion of protected industries in particular."

In moving this amendment, I wish to bring to the notice of the House the impediments.....

Mr. Deputy-Speaker: But is that not covered by (vi) "any other factor having a bearing on the usefulness of the industry to the country's economy."

Shri Kamath: But I want to put it with particular reference to our industrial expansion in general.

As I was saying there is so much of foreign capital invested in India and so much of our industries are being controlled by foreign capital. The other day the Reserve Bank of India in its survey on this subject stated that foreign investments in India amount to nearly Rs. 398 crores and the extent of foreign control over our industries through this managing agency system is very much. Of the Rs. 4,471 lakhs worth of shares, they own only shares worth Rs. 684 lakhs. With that they control our industry to the tune of Rs. 44 crores. This to my mind is a vital matter so far as our industrial expansion is concerned. It is all very well that where there is serious competition between our industry and foreign industries, the Tariff Commission will step in and afford protection wherever necessary. But the root of the matter is that when key industries and many vital industries are under the control of foreigners or non-Indians, how far can the Tariff Commission fulfil the purpose for which it is intended, if the general question of nationalisation of those industries in which

[Shri Kamath]

foreigners hold a very large number of shares is not referred to them for examination. I will point out shortly how in most of the industries vital to our national life foreigners have almost, what I may call a stranglehold.

In petroleum it is 97 per cent.; rubber 93 per cent. foreign control; light railways 90 per cent. foreign control; matches 90 per cent. of industry controlled by foreigners; jute 89 per cent.; tea 86 per cent.; mining other than coal 73 per cent.; coal 62 per cent.; rubber plantation and distribution 54 per cent.

Now the industries in which foreign control is between 25 and 50 per cent. are: electrical engineering 43 per cent.; coffee 37 per cent.; paper 28 per cent.

Industries with less than 25 per cent. foreign control are: sugar 24 per cent.; cotton textiles 21 per cent.; cement 5 per cent.

Mr. Deputy-Speaker: How many of them are protected industries?

Shri Kamath: I am not in a position to say off-hand.

Pandit Thakur Das Bhargava: May I just raise a point of order? The amendment moved by my hon. friend does not fit into clause 15 at all. The general question affecting foreign control may be a good subject for discussion; but it cannot come in clause 15.

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Mr. Deputy-Speaker: I think that the import of foreign capital so far as a protected industry is concerned may take away all the benefit of the protection to the community. Protection always involves a burden on the consumer. If the burden is only for the benefit of a foreign capitalist, what is the good? I do not find, so far as this matter is concerned, that it is not relevant.

Shri Karmarkar: In view of what you have said may I, Sir, with very great respect submit that the question as to what quantum of foreign capital should be permitted into the country or in any protected industry is for Government to decide as a matter of policy? That is one thing. For purposes of protection, when once foreign capital comes in, the industry has in effect to be treated as an indigenous industry. For instance, tea plantations etc., they are all for purposes of protection indigenous industries. Whether we should permit or send out foreign capital from protected or unprotected industries is one question, and it can be considered on its own merits. But on the question as to what the Tariff Commission can do, we have given them a limited field, that is indigenous industry—which also includes internal as well as external capital. May I submit that it is really for the Government to consider that question or to ask the Planning Commission to go into it and report on the effect of the foreign capital on internal industries? We now normally permit foreign capital on the basis of 49 : 51. We invite foreign capital and it does come in. But for purposes of protection that 49 plus 51 together make 100 per cent. of the investment in an indigenous industry. That indigenous industry could not be split up for the purpose of giving protection. It is one thing to say that it is beneficial not to have foreign capital and quite another to try to distinguish two types of capital in what is practically, according to our present arrangement, an indigenous industry. That is the point I would like to emphasize.

Mr. Deputy-Speaker: I am not saying that the matter of policy can be laid down by the Tariff Commission at all. Clause 15 is concerned with the duties of the Commission with respect to a protected industry. It will be to investigate into the manner in which protection in relation to an industry has been working—with respect to the cost of production, the output of the protected industry, etc. Whether there is an adverse effect or otherwise on account of the import of foreign capital is also one of the factors which may be relevant. It is for the House to accept it or not. That is another matter.

Shri Mahtab: That object may be achieved by some other way and not by an amendment to this clause. I am inclined to agree with Pandit Thakur Das Bhargava as to how it will fit in here. Clause 15 reads like this:

> "It shall be the duty of the Commission, at such intervals as may be prescribed,—
>
> (a) to investigate into the manner in which protection in relation to any industry has been working, with particular reference to—"

Here comes the amendment: "the effect of foreign capital.....,":

Mr. Deputy-Speaker: "the effect of foreign capital on the expansion of protected industries". The other portions are not relevant.

Shri Kamath: I am willing to delete the other portion.

Shri Mahtab: The amendment talks of the effect of foreign capital "on our industrial expansion".

Mr. Deputy-Speaker: I am not allowing that part "in India on our industrial expansion in general". It is out of order. I think the amendment should be confined to this, namely, "the effect of foreign capital on the expansion of the protected industry". I think not even the word "expansion" is necessary; "on the protected industry" will do.

Shri Kamath: Sir, I had almost finished when this point was raised. I only wish to say this before I close. This issue is a vital one, that is, to what extent protection is desirable, in the national interest, of these industries in our country which are either owned or controlled by foreign capital and how far protection to such industries will react on the consumer and the other classes of people in the country. This is a vital question which must be referred at some time or the other to the Tariff Commission, for a survey of the industries where protection is granted, in spite of the fact that they are owned or controlled by foreign capital, to find out what reaction—adverse or otherwise—there has been on the national life and our national industry on account of such protection.

Mr. Deputy-Speaker: I find that a number of hon. Members are anxious to speak on this matter. I will first place the amendment before the House.

Amendment moved:

In page 5, *after* line 16, *insert*:

"(iva) the effect of foreign capital on the protected industry".

Pandit Thakur Das Bhargava: This Bill is designed to protect our industries and not to protect our capital. If a great amount of foreign capital is employed in regard to a particular industry, it will be for Government to consider, at the time the reference is made, whether the particular industry is to be protected or not. But the duties of the Commission under clause 15 only refer to periodical enquiries at prescribed intervals in regard to certain matters connected with the protection which has already been given. I do not say that my friend's suggestion is irrelevant. It must be considered. If only foreign capital is to be solely or mainly benefited I do not think that Government would be justified in referring a case to the Tariff Commission unless and until the prospects are that ultimately some indigenous industry will crop up and develop in this country. This will be at the first stage. But here, in clause 15, we are dealing with the later stages, and not with the first stage, that is after the protection is granted. Therefore I submit that in relation to clause 15 this amendment does not fit in.

Shri Goenka: May I submit that this amendment should not be there for this reason that by this amendment the Tariff Commission is not only asked to go into the merits of the industry but also into the composition of the capital of the industry. Suppose there is an industry in which twenty firms are interested, and nine out of them probably are British firms and the remaining eleven Indian. In those nine part of the capital may be Indian capital and part of it may be British capital. Am I to understand that this Commission is to go into the capital of each firm, and also the break-up of the capital of each firm as between Indian and British, and then decide on the question of protection of the industry? So far as this Bill is concerned it is mainly concerned with the question of protection to industries—it does not matter who manages it. Of course I agree with Mr. Kamath that with regard to the management of an industry it is an important matter which the Government should take into account on a policy basis, but not in relation to giving protection to the industries. On the question of giving protection to industries, for this Commission to go into the break-up of the capital and the composition of the capital of each company is something which this Bill does not envisage. I think it will be a wrong place to put that provision in this Bill, however laudable the object may be with which we may all agree.

Shri A. C. Guha: I oppose this amendment which has been moved by Mr. Kamath: I know what part foreign capital is playing in Indian industry, particularly in most of the industries in Calcutta—jute, tea, coal etc. These are the important industries in Calcutta and I think these industries have been built by foreign enterprise, if not so much by foreign capital. Mr. Kamath himself has quoted that foreign firms do not possess so much share capital as they control the companies. I know in most of the jute mills where the managing agencies are British, the share capital is mostly of Indian origin. This is a broad question which should be decided on the policy basis by the

[Shri A. C. Guha]

Government and not by such back-door method. The Government is inviting foreign capital to be invested in India. Only the other day the hon. Finance Minister said that for financing the 5-year plan India may be required to take the aid of foreign capital. So I do not think it would be proper for us to put forward any clause in this Bill which may unnecessarily irritate the foreign investers. I think it is entirely unwarranted. I therefore oppose this amendment, though I agree that the Government should formulate its policy as regards what part the foreign capital should play in our industrial development. That is altogether a separate question and should not be mixed up with this tariff question.

Shri Kamath: May I with your permission, Sir, make a slight change? Instead of the words "the effect of foreign capital" I suggest the substitution of the words "the investment of foreign capital in the protected industries in our country."

Shri Hussain Imam: I am rather surprised at the anxiety of some hon. Members to oppose every measure as soon as it is stated that the Government is not willing to accept it. The motion which was being made has nothing to do with the recommendations of the Tariff Commission. What it wants is that an authoritative investigation should be made into a matter which is of national importance. It is not that this is an item to be taken into consideration when a measure of protection is to be given. The hon. Minister has said that we cannot differentiate between a company in which all the capital is Indian capital and another in which foreign capital as well as Indian capital is mixed up. It is not at that point we are wanting this investigation to be made. Just as the Reserve Bank is in a position to give us an authoritative view on the foreign capital that is invested in India, we want that the progress report of the protected industry should be given not by the Reserve Bank but by the Tariff Commission, how much foreign capital is invested in the industry? Whether it is on the upgrade or it is on the decrease? It has nothing to do with the merit of the thing. We are not assuming that this should be an item which the Government should take into account when it is giving protection or not giving protection. What we want is only information and there is no authority more suitable than the Tariff Commission to find out this thing at this time. The clause reads as under:

"It shall be the duty of the Commission, at such intervals as may be prescribed,—

(a) to investigate into the manner in which protection in relation to any industry has been working, etc....."

It is only with reference to the increase or decrease of foreign capital in the protected industry that we want to have information and therefore, there is no reason why the Government or the Members of the House should take any exception to additional information being made available to this House on a very important subject such as this.

Dr. M. M. Das: I do not understand how the question of foreign control comes in at all. The Tariff Commission is mainly meant for giving protection to Indian industries for the industrial development of the country and Indian industries do not exclude those industries which are managed and financed by foreign capital. I do not see how a distinction is to be made. Indian industries include both the industries that are managed and financed by Indians as well as by the foreigners.

Mr. Deputy-Speaker: The question is:

In page 5, *after* line 16, *insert*:

"(iva) the investment of foreign capital in the protected industries."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 15 stand part of the Bill."

The motion was adopted.

Clause 15 was added to the Bill.

Clause 16.—(*Action on Commission's report*).

Shri Sidhva: I beg to move:

In page 5, lines 36 to 38, *for* "shall be laid on the table of Parliament within three months of the submission of the report to the Central Government, if Parliament is then sitting, or, if Parliament is not then sitting within seven days of its re-assembly" *substitute*:

"shall place before the Parliament within one month of the submission of the report of the Central Government for discussion and either adoption or rejection of the said report and the recommendation of the Central Government".

I consider this amendment is very important. At present the clause says that it will be placed on the Table, just as the other documents are placed on the Table of the House. This is the first innovation that we are introducing and the House would like to know as to how the Commission is functioning. All its reports ought to be discussed in the House and then adopted or rejected. It might be argued that the Tariff Bill will come for consideration here, but I say it will come at a later stage. It may be that there may be reports in which the tariffs are not affected. We want to know how the Commission is functioning and whether it is carrying out all the instructions given to them. Merely placing the reports on the Table of the House takes away the right of the House. It is a very important right and then there are new functions being given to the Commission and the House would like to know how the Commission is carrying them out. I do feel that the hon. Minister should kindly consider this proposition in the interest of the Government itself to let the House know as to how the Commission is functioning and their reports should be placed every year before Parliament for discussion, adoption or rejection. I do not want to elaborate this important point because it is self-explanatory. We want to see our industries flourish and at the same time the Commission should act rightly under the provisions of this Bill and I therefore suggest that the amendment that I have moved be accepted by the House.

Shri Mahtab: I think the hon. Member is making a confusion between clauses 16 and 17. He refers to the annual reports of the Tariff Commission. That comes under clause 17. Here it is the case of report with regard to protection. If that report is made public without any proposal as to whether it has been rejected or accepted or what conclusions the Government have arrived at, the result will be a large scale speculation in the market. There is no doubt about it. Therefore, it has been provided under clause 16 that along with the report the decisions will be placed so that there will be no scope for speculation in the country.

Shri Sidhva: Where is the question of share values going up?

Shri Mahtab: There is no time at my disposal to explain these things, it is such an obvious thing. Take for instance the Tariff Board has recommended in the case of steel prices to increase the controlled price. Assuming before any decision is arrived at, that report becomes a public matter, the result will be that speculation will go on in the share market and this will hit the industry and hit the consumers also.

Shri Sidhva: How could it?

Shri Hussain Imam: I beg to draw the attention of the hon. Minister to a lacuna in the draft.....

Pandit Thakur Das Bhargava: May I submit, Sir, that my amendment also may be moved and there may be a discussion on both. Both of them overlap to a certain extent.

Shri Sidhva: That is also correct. I have another amendment, No. 37. I forgot to mention that. That would meet the point which the hon. Minister has just now mentioned.

I beg to move:

In page 5, *for* lines 39 and 40, *substitute*:

"Provided that until the decision of Parliament on such report is reached, the Central Government may permit the said industry to carry out the recommendation of the Commission."

The apprehension just now expressed by the hon. Minister would be overcome if this provision is accepted. I would like the other amendment also to be moved.

Mr. Deputy-Speaker: Let the amendment of Pandit Thakur Das Bhargava also be moved. Discussion will follow on all the amendments. Mr. Gokulbhai Bhatt wanted to substitute the word 'shall' in the place of the word 'may'. In that connection, it was suggested that an amendment may be tabled in the proper place in clause 16. This is the amendment. I will waive the notice. It is for the House to accept the amendment or not.

Pandit Thakur Das Bhargava: I beg to move:

In page 5, *after* line 40, *insert*:

"(3) Except in so far as is provided by the Indian Tariff Act, 1934, no protection will be granted or refused unless the Tariff Commission have enquired or made their report and Parliament has considered the report and the decision of the Government on the same."

[Pandit Thakur Das Bhargava]

In regard to this amendment, my humble submission is that it meets all possible objections. At the time when clause 11 (a) was being considered, I suggested that I accepted the principle that whenever Government has to grant protection, then, the case must be referred to the Tariff Commission and their report considered. Government should not, without any reference to the Tariff Commission, grant protection to any industry. That point is covered by this amendment. The point which was made out by the hon. Minister that it will be difficult to give effect to the protection unless Parliament has considered it, is also met, because we know that the Indian Tariff Act contains a provision whereby Government can enforce protection all at once and subsequently bring a measure before this House. Thirdly, a point has just now been made by Mr. Sidhva that after all, when a report is made, the House must be enabled to consider it. Merely laying on the Table of the House will not serve the purpose. We want as a matter of fact a duty to be imposed on the Government to come to a decision, as they have suggested in clause 16, themselves, because they say that copies of the final report made to the Central Government together with a report of the action taken thereon by the Central Government shall be laid on the Table. My amendment suggests that unless the House has considered the same, effect should not be given and protection regarded as refused or granted. My amendment meets all the points which have been raised.

Shri Kamath: Will you please read the amendment again? We have not got copies.

Mr. Deputy-Speaker: I shall place the amendments before the House.

Amendments moved:

(i) In page 5, lines 36 to 38, *for* "shall be laid on the table of Parliament within three months of the submission of the report to the Central Government, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days of its re-assembly" *substitute*:

"shall place before the Parliament within one month of the submission of the report of the Central Government for discussion and either adoption or rejection of the said report and the recommendation of the Central Government".

(ii) In page 5, *for* lines 39 and 40, *substitute*:

"Provided that until the decision of Parliament on such report is reached, the Central Government may permit the said industry to carry out the recommendation of the Commission."

(iii) In page 5, *after* line 40, *insert*:

"(3) Except in so far as is provided by the Indian Tariff Act, 1934, no protection will be granted or refused unless the Tariff Commission have enquired or made their report and Parliament has considered the report and the decision of the Government on the same."

Shri Kamath: I have got a small verbal amendment. I beg to move:

In page 5, line 36, *for* "on the table of" *substitute* "before".

That is more in accordance with the language of the Constitution and of other Acts.

Mr. Deputy-Speaker: Amendment moved:

In page 5, line 36, *for* "on the table of" *substitute* "before".

Shri Goenka: I am not moving my amendment; but I would like to speak.

Mr. Deputy-Speaker: The whole clause along with the amendments is under discussion.

Shri Hussain Imam: May I submit to the hon. Minister that the original draft is a little defective? It says in line 38, "if Parliament is not then sitting within seven days of its re-assembly." This would make it impossible in many cases for the Government to bring before the House and lay before the House the report as well as the decision of the Government. For instance, if the report was submitted to you on the 31st July last, you would have to lay it before the House by the 13th. In the short time, could you possibly come to any decision on that subject? You want to lay on the Table not only the report, but also the decision of the Government. What I suggest is this. Instead of "seven days of its re-assembly", substitute "seven days from the decision of the Government". I suggest that the time limit should be not from the date of the submission of the report, but from the date of the decision of the Government.

Shri Santhanam: Will the hon. Member read the proviso also?

Shri Hussain Imam: That does not provide. What happens next? You simply place a statement explaining the reasons. When do you place it again? Where is it made binding on you to place the report and the decision of the Government? Having placed that note before the House, you may say, I have done and there is no need to place the report itself. I therefore suggest that time should run not from the submission of the report, but from the date of the decision. I am not quarrelling with the time factor. I am only quarrelling whether the time should run from the date of the submission of the report or from the date of the decision taken by the Government and the Government resolution on the subject. If you have it from the date of resolution of the Government, that would be sufficient. There is no need for the proviso. You can do away with the proviso. The proviso only comes in because you have realised that it would not be possible to comply with the requirements within seven days of the assembly of the House.

[SHRIMATI DURGABAI *in the Chair*]

I have therefore suggested a small verbal amendment. In the place of 'submission of the report', substitute 'from the time of the decision of the Government'. Because, the House has to consider not only the recommendation of the Tariff Commission, but also the action which the Government propose to take on it. Both are the subject matters of discussion of the House. I think the hon. Minister rightly pointed out that if he were to place the report alone before the House, without the Government's decision thereon, there may be a lot of speculation in the market. I therefore appreciate his point that Government's decision must come together with the report of the Commission. In order to obviate all the difficulties, the wording may be changed to read 'from the time of the Government's resolution' instead of 'from the submission of the report'.

Now, I come to the amendments that have been moved. It is said that it shall be placed before the House within one month of the submission of the report. But the submission of the report does not do anything effective. Whatever effect is given to the report runs from the date on which the Government comes to a decision. And so the wording should be so changed that the time factor runs from the date of the Government's decision thereon.

I do not wish to say anything about Pandit Thakur Das Bhargava's amendment because it is a very essential amendment. As I pointed out earlier, it is not enough that the thing should be done within our knowledge, but what is wanted is that it should be done with our consent. The difference in the outlook of the Treasury Benches and this side of the House is that we want the consent to be part of the contract, whereas the Government feel that the public and the representatives of the public are only entitled to get information. This is a fundamental difference between our outlook and the outlook of the Government. It is not a question of trust or distrust. It is a question of the respective rights of the two. It is a question of whether the Legislature should every day be deprived of more and more rights by surrendering them to the executive, or whether it should function as a body which has rights and which can exercise those rights. It is a question of transferring more and more power to the executive and giving the residuary power to the House to initiate a discussion by grace of the executive. If that is so, then it is a retrograde step which will reduce us to a dictatorship and if prompt measures are not taken, we by sheer disuse of our functions may very soon become a *functus officio*. There will then be no need for having any Parliament at all. We may have a Parliament sitting only for fifteen days to pass the Budget and all the rest of the work may be done by the Executive Government through delegated authority. All legislation that the Government wishes to pass may be passed and when the Parliament assembles they may all be placed on the Table of the House and if necessary hon. Members may raise a discussion on the action taken by Government. The whole fundamental point at issue is whether Government should have the power to take decisions on the subject, subject to the approval of this House or without the approval of the House. As the Bill stands before the House, actions taken by Government on the initiative of the Tariff Commission will be placed before the House for its information and if the House so desires, it may initiate a discussion. What I propose is—and that is the gist of Pandit Thakur Das Bhargava's amendment—that Government can take action pending our assent, and it shall be brought before the House for getting the assent of the House. The assent of the House is essential. The work of Government will not be suspended, but Government should not over-ride or do away with the bringing of the motion for the

[Shri Hussain Imam]

approval of the House. I therefore, feel that this is a very important amendment which should be considered by the House and accepted.

Shri Goenka: I do not think, Sir, if you look into the facts, that the eloquence of my hon. friend Mr. Hussain Imam, would have any justification. He referred to dictatorship and the like without any reason whatsoever. Here the Government is given power to take action and that for good reasons. If the report of the Commission is known and the action of the Government is unknown, there will be speculation in the market with regard to the industries and the shares of the industries and with regard to the commodities which the industry manufactures.

Shri Sidhva: Nobody says that.

Shri Goenka: Mr. Sidhva's amendment No. 36 does say that.

Now, what do we do? We give power to the Government to take a decision on the recommendation of the Tariff Commission. This House will have ample opportunity to reject the Government's decision when they come before the House for legislative approval. Supposing there is a protective duty and although it is accepted by the Government they have to introduce legislation in this House to give effect to it. So any action taken by Government has to be brought before the House as a legislative measure and before it becomes law it should have the approval of the House. When it comes before the House we will have ample opportunity to discuss the pros and cons of the report of the Commission as also the action of the Government and then take such decision as the House may like. Therefore this is a very salutary provision by which Government is clothed with power for the purpose of seeing that no speculation takes place nor any unnecessary reaction on the market takes place by virtue of the report of the Commission. After they take action immediately the Government have to come before the House for legislative approval and then the House will have ample opportunity, if necessary, even to throw away the Government's decision and take some other decision which the House may deem proper. A lot of confusion has been unnecessarily created without knowing what the powers of the House are. (*Shri Sidhva:* We know it.) I also know it.....

Shri Sidhva: You say the House does not know it. That is very improper.

Shri Kamath: I am not quite sure about the position just now adumbrated by my friend who is an expert in these matters of trade and commerce, namely the position of Parliament *vis-a-vis* the Government so far as legislative proposals are concerned. I believe that only when an enhancement in a duty is contemplated that a Bill will come before the House.....

Shri Mahtab: I would refer the hon. Member to section 3 of the Indian Tariff Act, under which Government have to come before the Parliament.

Shri Kamath: As regards the recommendations made by the Commission about restrictions on imports or reduction in duty, those proposals cannot come before the House separately, apart from the Tariff Commission's report. Therefore if these do not come before the House otherwise, then I submit that the mere laying of the report of the Commission before Parliament, without affording us an opportunity to consider the recommendations made by the Commission is something worse than useless. I am advisedly using rather strong language, for it is not the first occasion, as my friends have pointed out, on which Parliament has been sought to be deprived of its right to discuss certain important documents laid before it. Reports may be laid before Parliament and no discussion is to take place on them. Is that the position that we are being reduced to?

Only this morning there was a question regarding the Agreement between India and the U.S.A. about the 190 million dollar loan, which has been recently entered into. The answer to my question on that (whether it will be discussed by Parliament) was to my mind not at all very complimentary to the House nor even, may I say, to the Minister. This morning this important agreement which involves a loan of 190 million dollars.....

Shri Goenka: Force them.

Shri Kamath: That is why we want to force them by this amendment. Slowly, little drops make the ocean. With his knowledge of commerce and trade I am sure Mr. Goenka is aware how drops do make the ocean. Therefore, Madam, I think that so far as this particular matter is concerned, if Parliament does not accept.....

Mr. Chairman: Is it right to say that no discussion is allowed on a particular agreement or report laid on the Table? When a Member expresses

that a discussion should take place on a particular report I think that is allowed.

Shri Kamath: With due deference to you, Madam, I think you have been slightly absent-minded. I just referred to what happened this morning. I referred specifically about the Agreement laid on the Table; this morning I asked the Prime Minister whether there would be discussion.....

Mr. Chairman: There is absolutely no question of absent-mindedness. I have carefully heard the hon. Member saying that the agreements or reports are merely laid on the Table and no discussion takes place. My remarks pertained only to that. I think the hon. Member's assertion that the Chair is absent-minded is absolutely wrong.

Shri Kamath: I now know you were not absent-minded, but there was the fear in my mind—it was not the fact that you were absent-minded but of the fear in my mind that I gave expression to, and I am very happy to find that you were not absent-minded at all, and that you were very attentive all the time.

Therefore, I would again stress that so far as this important matter is concerned, the reluctance of Government to allow a discussion on the report of the Tariff Commission which might be laid before Parliament is absolutely incomprehensible to me. Various pretexts have been advanced in this House—pretexts that might have suited the executive of the former regime, but certainly not the present Government of the Sovereign Democratic Republic of India. Therefore, I think if the House does not accept this amendment of Mr. Sidhva or of Pandit Thakur Das Bhargava, or a beautiful blend of both—they may be re-cast, they both can sit together and the Minister also can sit with them and have the amendments re-cast—but if the House does not accept the principle of it, the substance of it, the spirit of it though not the letter of it, I think the House will be stultifying itself and will be reduced to the position of mere readers of documents laid before it by the Government without having the opportunity to express its opinion thereon and arriving at a conclusion thereon as befits the supreme Parliament of a free nation.

Babu Ramnarayan Singh (Bihar): *rose—*

Mr. Chairman: Is it necessary that we should go on?

Shri A. C. Guha: It is a very important point.

Shri Sidhva: If the Government are not prepared to accept this reasonable amendment we cannot accept it.

Shri Mahtab: I have made it clear that the amendment which has been tabled by Pandit Bhargava, in my humble opinion, is meaningless. I will shortly point out how. There is a salutary provision in the Rules of Business that without proper notice no amendment should be accepted.

Hon. Members: The Chair has allowed it.

Pandit Thakur Das Bhargava: The Chair has already accepted it and allowed me to move it. At the same time the Chair must bear in mind that when we were discussing clause 11(a) and the substitution of the word "may" by the word "shall", it was suggested by the Chair that at the proper time an amendment should come. In compliance with the wish of the Chair I just drafted the amendment and the Chair was pleased to allow me to move the amendment. At this stage, after it has been moved, this objection cannot be taken.

Shri Mahtab: As a Member of the House, I think I have the right to represent to the Chair that sufficient time was not given to me.

Shri Sidhva: I rise to a point of order. The Chair having already admitted the amendment, I want to know whether that question can be reopened. It is challenging the authority of the Chair. The Deputy-Speaker allowed this amendment of Pandit Bhargava to be moved, and the hon. Minister is now challenging it.

Shri Mahtab: I did not challenge it.

Shri Sidhva: You do challenge when you say that you want to appeal to the present Chairman over what the Deputy-Speaker had allowed.

Mr. Chairman: I do not think the hon. Minister is challenging the question of moving the amendment. He agrees that the Chair has permitted the amendment to be moved and it has been moved. The only question is about his acceptance of the amendment and in regard to that he says that he has had no time.

Shri Hussain Imam: May I suggest that we hold over this clause, so that both we and he will have some time to consider it?

Mr. Chairman: I do not think we should hold over this clause. We have been going on with this Bill for the past four days and if possible we should finish it today. Since the other clauses are miscellaneous clauses, there is a bright prospect of our finishing this Bill today.

बाबू रामनारायण सिंह: सभानेत्री जी, अभी जो पंडित ठाकुरदास भार्गव का संशोधन विचारार्थ है और जिस पर इस समय विचार हो रहा है, उस का मैं ज़ोर से समर्थन करता हूं और उस के समर्थन में जो कुछ कहा गया है, उस से मैं पूर्णतया सहमत हूं और उन सब बातों को मैं दुहराना नहीं चाहता। किन्तु एक बात दुहराना चाहता हूं कि जो भाई हुसैन इमाम और दूसरे मेम्बर इस बात का फ़िक्र कर रहे हैं कि अगर रिपोर्ट पार्लियामेंट के पास नहीं पहुंची, तो और पार्लियामेंट उस पर विचार न करे, तो पार्लियामेंट का क्या मूल्य रहेगा। तो मैं उन भाइयों से और इस संसद् के सारे सदस्यों से यह पूछता हूं कि वास्तव में आज की पार्लियामेंट का मूल्य क्या है ? इतने महत्व का विधेयक पेश है, उस पर बहस हो रही है, संशोधनों पर बहस हो रही है, लेकिन क्या एक भी संशोधन स्वीकार किया गया है । यहां होता क्या है कि जो मंत्री महोदय कहेंगे वही पास होना है। जो सदस्य पेश करते हैं वह भी मंत्री का ही मुंह ताकते हैं कि मंत्री जी सहमत होते हैं या नहीं। आप जो कुर्सी पर बैठी हुई हैं पूछेंगी कि मंत्री जी सहमत हैं या नहीं, यानी जो कुछ कहना या करना है वह मन्त्री जी को ही करना है। और जितने हम लोग हैं उन को हां में हां कहना है। बहुत से संशोधन खत्म हुए, वह तो हुए लेकिन मैं समझता हूं कि यह संशोधन पास होना चाहिये और अगर सरकार राजी हो तो ठीक है और न राजी हो तो मैं चाहता हूं कि संसद् के सम्मान का तकाज़ा है कि सब कोई इस पर वोट करें और इस संशोधन को पास करायें और सरकार को हरायें।

(*English translation of the above speech*)

Babu Ramnarayan Singh: I wholeheartedly support the amendment moved by Pandit Thakur Das Bhargava which is being considered by the House. I fully endorse whatever has been said in support of that amendment and I do not propose to repeat it all. But there is one thing to which I would like to refer again. My hon. friend Shri Hussain Imam and some other hon. Members are worried about this thing that if the report is not placed before Parliament for consideration, it would mean that Parliament does not count at all. But I ask those friends and, in fact, all hon. Members of this House, what in reality is the value and the position of this Parliament. We are discussing a very important Bill today and also discussing various amendments to it but may I know whether a single amendment has been accepted? What happens here is that only the wishes of the hon. Minister concerned are carried out and the hon. Members who move an amendment or give a suggestion also look to the hon. Minister to find out whether he is agreeable or not. You as Chairman would also ask the hon. Minister whether he agrees or not as if it is solely the Minister who is to say or do everything and the rest of the House is only to ditto him. Most of the amendments have been rejected but I feel that this amendment must be passed and if the Government agrees to it, well and good, otherwise the prestige of the Parliament enjoins on the Members of this House to vote for and carry the amendment and defeat the Government.

Shri A. C. Guha: Madam, this is a very important question. I am sure every Member of this House is jealous about the rights and privileges of the House, particularly as regards money matters. Some months ago some loans were sanctioned to some industries involving several crores. I do not think any previous sanction of this House was taken. At the same time, I am doubtful how this provision as proposed to be amended will operate from the practical point of view. According to this Bill the Tariff Commission will give protection not only in the form of tariffs, but in other forms as well, which are called non-fiscal—say by way of making raw materials easily available or by giving railway priorities or some other transport facilities, or

even by imposing control over imports or by making purchases solely from Indian manufacturers etc.

I do not know whether it will be practicable for Government or this House to have previous approval on all these points. As far as fiscal matters are concerned, even now Government have got sufficient powers under the Tariff Act and after giving tariff protection, the Government has to come to this House for ratification. The amendment proposed does not take away that power. As for giving other fiscal protection *e.g.* subsidies, loans etc. they should be brought before the House before their being granted. But I do not know whether it would be practicable for this House to make it obligatory for Government to take sanction of the House before giving non-fiscal protection. I apprehend there would be practical difficulties for that. I would like the hon. Minister to clarify the position.

Shri Mahtab: In regard to this amendment tabled by my hon. friend Pandit Thakur Das Bhargava, I would like to point out to the House that whenever any protection is given to industries, it is brought before Parliament in the form of an amendment to the Schedule to the Indian Tariff Act and then the House gets an opportunity of discussing the whole question. They have the right either to reject or to approve the action taken by Government.

Recently, Parliament amended section 3 of the Indian Tariff Act; a new section (No. 3A) was also added to that Act. Section 3A reads thus:

> "Where the Central Government, upon a recommendation made to it in this behalf by the Tariff Board set up under the Resolution of the Government of India in the Department of Commerce No. 21(3)-T(55)/45, dated the 3rd November, 1945, is satisfied that circumstances exist which render it necessary to take immediate action to provide for the protection of the interests of any industry established in India, the Central Government may by notification in the Official Gazette, impose on any goods imported into India in respect of which the said recommendation is made, a duty of customs of such amount, not exceeding the amount proposed in the said recommendation, as it thinks fit.
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> * * * *
>
> (3) Where a notification has been issued under sub-section (1) there shall be introduced in Parliament if it is sitting within fifteen days after the issue of the notification and if it is not sitting within fifteen days of its reassembly, unless the notification is in the meantime rescinded, a Bill on behalf of the Central Government to give effect to the proposals in regard to the continuance of a protective duty of customs on the goods to which the notification relates, and the notification shall cease to have effect when such Bill becomes law, whether with or without modifications, but without prejudice to the validity of anything previously done thereunder."

Therefore, in any event the whole matter will come up before Parliament and Parliament will have a right either to approve the action of Government or to reject it.

Here the proposition, as the amendment stands, is:

• "Except in so far as is provided by the Indian Tariff Act, 1934, no protection will be granted or refused"—(you will see how diametrically opposite it is to some of the other laws)—"unless the Tariff Commission have enquired or made their report and Parliament has considered the report and the decision of the Government on the same". I am not sure whether the refusal of government to entertain an application under clause 11 will be considered as "refused". Here the amendment lays down that "no protection will be granted or refused". Therefore I do not know whether that will be interpreted as refusing protection to an industry. This amendment will go directly against clause 11 which the House has passed just now. These are the difficulties.

Then, with regard to the amendments which have been tabled by Mr. Sidhva, I will beg of him to consider the difficulties. Whenever the Tariff Commission makes a recommendation in favour of protection and whenever Government come to a decision, there should not be any time lag. There should be as little time lag as possible, the Government should come to a quick decision, and the report should be treated as a top secret document. Otherwise, if it leaks out the result inevitably will be speculation in the market because the prices of commodities will either rise or fall as the recommendation goes in the Tariff Commission's report.

Shri Sidhva: My amendment No. 37 meets your point.

Shri Mahtab: I am coming to No. 37. Amendment No. 37 stands thus:

[Shri Mahtab]

"Provided that until the decision of Parliament on such report is reached the Central Government may permit the said industry to carry out the recommendation of the Commission".

I am really surprised as to what this really means. It is the Government which will carry out the recommendation of the Commission—not the industry. Suppose the Tariff Commission recommends that protective duty should be imposed. I do not understand how the industry will carry out that recommendation! It is the Government which will carry out the recommendation. Therefore, I do not understand the meaning of this amendment. I would oppose all these amendments and beg of the House to pass the clause as it has been reported by the Select Committee.

श्री भट्ट: माननीया सभानेत्री जी, मैं यह प्रश्न पूछना चाहता हूं कि क्या मंत्री जी यह बात साफ़ करेंगे कि जो उद्योग धंधे संरक्षण के लिए अर्जी देंगे वह अर्जी अगर आप सही समझेंगे तो क्या कमीशन के पास भेजेंगे ही या आप उस के ऊपर अपना निर्णय दे देंगे। यह जो 'मे' (may) और 'शैल' (shall) का झगड़ा चल रहा है उस के बारे में माननीय उपाध्यक्ष महोदय ने कहा था कि मंत्री जी कोई ऐसी बात रखेंगे जिस से मेरा संशय दूर हो जाय।

[**Shri Bhatt:** Madam, will the hon. Minister clarify whether the applications made by the industries for grant of protection would, if they are found deserving, be sent to the Commission or the Government themselves would give decision on them? On the question of 'may' and 'shall' the Deputy-Speaker had told me that the hon. Minister would make some provision which might remove my doubts.]

Shri Mahtab: I think all the Members are well aware that up till now excepting in a single case no occasion has arisen in which protection has been given without reference to the Tariff Board. That only exception the House is well aware of. Over that a long discussion went on and long explanations were given, and subsequently the matter has been corrected. That was done in 1949 or 1950. Excepting that one instance there has not been a single case where the matter has not been referred to the Tariff Board before Government decided upon protection. And I can straightway say that nereafter not even a single exception will be allowed. All the cases must be referred to the Tariff Commission for their report. Unless that was the intention of Government there was no meaning in bringing forward this measure. What was the object of this Bill?

Shri Sidhva *rose*—

Mr. Chairman: Let there be some finality. The points have been explained.

Shri Sidhva: To enable us to understand and vote I want one point to be clarified. In respect of those points which are not covered under the Tariff Act I want to know.....

Shri Goenka: Madam, how many times can a Member speak on the same amendment?

Mr. Chairman: Under the rules he cannot speak twice on the same amendment.

Shri Goenka: But he is speaking for the third time.

Shri Sidhva: I am not speaking on it. I have not understood the point made by the hon. Minister. With regard to those subjects which are not covered under the Tariff Act, will they be placed before the House?

1 P.M.

Shri Mahtab: I will take this opportunity to convince the House that Government cannot take any action unless the Tariff Board makes any recommendation. Clause 36 of the Tariff Act lays down as follows: "Where the Central Government upon a recommendation made to it in this behalf by the Tariff Board....." Therefore the Government have really been given very little power. The new tariff laws allow it to do nothing without any reference to the Parliament or even going beyond the recommendations of the Tariff Commission, so far as fiscal matters are concerned. With regard to other recommendations.....

Shri A. C. Guha: Non-fiscal recommendations?

Shri Mahtab: I am coming to that. So far as non-fiscal recommendations are concerned, I can foresee recommendations like this that the railway freight may be reduced or that local taxes may be reduced. With regard to the sales tax and other taxes, these are all State subjects and the Central Government can merely make a recommendation to the State Government for execution. With regard to the railway

freight, similarly the Government can recommend to the Railway Board for their acceptance or rejection. In the particular case I referred to this morning the proposal was practically rejected by the Railway Board. Therefore, Parliament as such cannot sit in judgment over those recommendations. So far as the loan question is concerned, as suggested by Mr. Guha, the Central Government do not advance any loan for any industry. There is an Industrial Finance Corporation which advances loans and to which Government make their recommendations, assuming that it so happens that the Tariff Commission makes a recommendation.

Shri A. C. Guha: The Tatas and Scob have been given loans by the Central Government.

Shri Mahtab: I was coming to this very point. Hon. Members must have a little more patience. The loan is usually given by the Industrial Finance Corporation. There are several industries which Government themselves want to expand according to their plan and Government want to find finance for them. But that is a different matter. Now take the case of the steel industry in which Government sanctioned a loan to Scob and they are thinking of also giving loans to Tatas and similarly with regard to various other industries which Government themselves want to expand or to be newly set up. The whole matter is brought up before the Standing Finance Committee and before the Standing Committee of the Ministry concerned. Unless the Standing Finance Committee approves of these things, no loan has ever been given or will ever be given under the existing practice. Besides the whole thing comes up in the Budget also and hon. Members have got an opportunity to discuss the pros and cons when the budget is placed before the House. So it is not correct to say that the House is kept ignorant of whatever steps Government are taking. In every case the Government is entirely at the disposal and in the clutches of the House, if I may use that word.

Shri Kamath: With regard to the proviso to this clause, what are the circumstances in which the report will not be laid or cannot be laid?

Shri Mahtab: The circumstances are those narrated by Mr. Hussain Imam.

Mr. Chairman: With regard to the amendments moved, I would first take up Pandit Bhargava's amendment. Though the hon. Deputy Speaker was pleased to waive in the matter of allowing the amendment to be moved, I am afraid, after I have heard the arguments of the hon. Minister, it seems to me that this amendment is not in order because it is inconsistent with the existing law. No amendment would be allowed and accepted unless it is consistent with the existing law. After I have heard the arguments I feel that this amendment goes against the provisions of the existing law. Therefore, I am obliged to rule it out of order.

Pandit Thakur Das Bhargava: May I explain how it is in order, Madam? The first part of my amendment reads as follows:

> "Except in so far as is provided by the Indian Tariff Act....."

By this the provisions of the Tariff Act are protected. I want that the emergency powers of the Government when it receives a report that protection should be given all at once should remain as they are. We just passed an Act in this very House allowing the Government to take action in such matters and I am not unaware of that. Therefore, the first provision that I have made is:

> "Except in so far as is provided by the Indian Tariff Act, 1934..."

Those provisions are saved. Further, I proceed to say that whatever protection is given, that protection can only be given after the matter has been referred to the Tariff Commission. This, I understand, from the hon. Minister is his reading of the situation also. He has stated that except in one case, always the matter has been referred to the Tariff Commission. I thank him for this assurance for the future also. I only wanted that so far as the statutory provision is concerned, there may be a provision that the Government will not be able to take any action regarding protection unless the matter has been referred to the Commission and the Commission has reported.

Shri Mahtab: That is not what the amendment says. The hon. Member says one thing; the amendment says another thing. That is another difficulty.

Pandit Thakur Das Bhargava: My humble submission is, if the hon. Minister reads the amendment again, he will find that the amendment, after protecting the powers given.....

Mr. Chairman: The amendment says that no protection will be given unless the Parliament has considered the

[Mr. Chairman]

report and the decision of the Government on the same. I think that is not consistent with the existing law.

Pandit Thakur Das Bhargava: The amendment reads:

> "Except in so far as is provided by the Indian Tariff Act, 1934, no protection will be granted or refused unless the Tariff Commission have enquired or made their report and Parliament has considered the report and the decision of the Government on the same."

The two things must be there. First of all, there must be the report of the Commission. Then, Parliament must have expressed its wish in regard to that report and the decision of the Government. When these two things are complied with, then alone, we will consider that the House has the last word so far as protection is concerned.

Shri Kamath: With regard to the observations made by you, Madam, just now, on a point of procedure, any motion once allowed to be moved by the Chair has got only two courses open: either it should be withdrawn by the Member who moved it or it should be put to the vote of the House. I do not think there is a third course.

Mr. Chairman: In this particular case, what I understand is that the hon. Deputy-Speaker has waived notice so far as the question of moving the amendment is concerned. He has not heard arguments and therefore he was not able to say whether it was consistent or not with the existing law. That is all.

श्री भट्ट : लेकिन उन्होंने तो उस संशोधन को मान लिया था और उसे हाउस के सामने रखा था।

[**Shri Bhatt:** But he had allowed the amendment to be moved and put before the House.]

Shri Sidhva: He himself suggested that this amendment can be moved.

Shri Mahtab: I never suggested it.

Shri Sidhva: The Deputy-Speaker.

Mr. Chairman: What I understand is that the amendment was permitted to be moved because the notice was waived.....

Pandit Thakur Das Bhargava: Unfortunately, Madam, you were not present in the House when the whole thing was discussed in regard to clause 11. There the question was the word 'shall' be substituted in the place of the word 'may'. At that time a suggestion was thrown out that a proper amendment in a proper place may be moved and then it will be considered. I showed this amendment to the hon. Deputy-Speaker and after he had given his consent, it was moved in the House. All the same, my humble submission is that it is not opposed to the existing law at all. Even if the law is different, we have the right to amend the law.

Mr. Chairman: That position is not disputed at all. Because the amendment was allowed to be moved, the question is whether after it is moved, it is the duty of the Chair to find out whether it is consistent with the existing law and is in order or whether it goes against the provisions of the existing law. That is the point.

Pandit Thakur Das Bhargava: May I make a submission. Supposing any amendment goes against the existing law; still, it does not become out of order because the existing law can also be amended by this Parliament, so that.....

Shri Goenka: This amendment may be put to the vote of the House and all these difficulties avoided.

Mr. Chairman: That course I will now adopt. Is the hon. Mr. Sidhva pressing his amendments?

Shri Sidhva: You are putting to the House Pandit Thakur Das Bhargava's amendment first. His amendment is the last amendment. Under the rules, that has to be put first. If that is carried, I will not press mine; if that is not carried, I would press my amendments.

Mr. Chairman: The question is:

In page 5, *after* line 40, *insert*:

> "(3) Except in so far as is provided by the Indian Tariff Act, 1934, no protection will be granted or refused unless the Tariff Commission have enquired or made their report and Parliament has considered the report and the decision of the Government on the same."

The House divided: *Ayes*, 13; *Noes*, 89.

[Division No. 1] AYES 1-10 P.M.

Bhargava, Pandit Thakur Das	Das, Shri Sarangdhar	Shah, Prof. K. T.
Bhatt, Shri	Hussain Imam, Shri	Sidhva, Shri
Birua, Shri	Kamath, Shri	Singh, Capt. A. P.
Chattopadhyay, Shri	Nasiruddin Ahmad, Shri	Vaidya, Shri V. B.
	Ramnarayan Singh, Babu	

NOES

Abdus Sattar, Shri	Jain, Shri A. P.	Raj Bahadur, Shri
Arya, Shri B. S.	Jangde, Shri	Rajagopalachari, Shri
Barman, Shri	Jayashri, Shrimati	Ramaiah, Shri V.
Bhagat, Shri B. R.	Jnani Ram, Shri	Ramiah, Shri P. Kodanda
Bhagwant Roy, Kaka	Kaliyannan, Shri M.	Ranbir Singh, Ch.
Borooah, Shri	Kanaka Sabai, Shri	Samanta, Shri S. C.
Brajeshwar Prasad, Shri	Karmarkar, Shri	Sanjivayya, Shri
Buragohain, Shri	Krishnanand Rai, Shri	Saprawnga, Shri
Das, Dr. M. M.	Lakshmanan, Shri	Sarwate, Shri
Das, Shri B. K.	Lal Singh, Thakur	Satish Chandra, Shri
Das, Shri Jagannath	Mantab, Shri	Sharma, Pandit Krishna Chandra
Das, Shri Nandkishore	Maitra, Pandit	Shukla, Shri A. C.
Das, Shri S. N.	Malaviya, Pandit	Shukla, Shri S. N.
Deshpande, Shri P. Y.	Mallayya, Shri	Singh, Shri B. P.
Dholakia, Shri	Malviya, Shri R. L.	Singh, Shri T. N.
Diwakar, Shri	Menon, Shri Karunakara	Sinha, Shri Aniruddha
Dixit, Shrimati	Mirza, Shri	Sinha, Shri A. P.
Dwivedi, Shri	Mishra, Prof. S. N.	Sinha, Shri B. K. P.
Faizur Ali, Maulvi	Misra, Shri S. P.	Sinha, Shri S. N.
Gadgil, Shri	Mohiuddin, Saikh	Siva, Dr. M. V. Gangadhara
Ghule, Shri	Moidu Moulavi	Sivaprakasam, Shri
Goenka, Shri	Munavalli, Shri	Sohan Lal, Shri
Gopinath Singh, Babu	Naik, Shri M.	Subramaniam, Dr. V.
Guha, Shri A. C.	Nehru, Shri Jawaharlal	Subramanian, Shri R.
Gupta, Shri Deshbandhu	Nehru, Shrimati Uma	Thakkar, Dr. K. V.
Gupta, Shri V. J.	Pani, Shri B. K.	Tripathi, Shri Kishorimohan
Hazarika, Shri J. N.	Pant, Shri D. D.	Tyagi, Shri
Inait Ullah, Khwaja	Parmar, Dr.	Varma, Shri B. B.
Iyyunni, Shri	Pillay, Shri Sivan	Venkataraman, Shri
Jagjivan Ram, Shri	Poonacha, Shri	

The motion was negative

Mr. Chairman: I would like to put this clause to vote. There are amendments moved by Mr. Sidhva and by Mr. Kamath.

Shri Sidhva: I would withdraw amendment No. 37 but would like to press No. 36.

Shri Kamath: Mine is a verbal amendment—I shall press it.

Mr. Chairman: Is the hon. Minister accepting Mr. Kamath's amendment?

Shri Karmarkar: No, Madam!

Shri Kamath: Why not? In the Constitution also it is, "before" Parliament.

Shri Karmarkar: Laid "on the table of" means without discussion, placed "before" Parliament means with discussion.

Shri Kamath: I see. The cat is out of the bag now!

Mr. Chairman: The question is:

In page 5, line 36, *for* "on the table of" *substitute* "before".

The motion was negatived.

Mr. Chairman: Then Mr. Sidhva's amendment, No. 36. The question is:

In page 5, lines 36 to 38, *for* "shall be laid on the table of Parliament within three months of the submission of the report to the Central Government, if Parliament is then sitting, or, if Parliament is not then sitting, within seven days of its re-assembly" *substitute*:

"shall place before the Parliament within one month of the submission of the report of the Central Government for discussion and either adoption or rejection of the said report and the recommendation of the Central Government".

The motion was negatived.

Mr. Chairman: Then there is amendment No. 37 moved by Mr. Sidhva.

Shri Sidhva: I beg leave to withdraw it.

The amendment was, by leave, withdrawn.

Mr. Chairman: The question is:

"That Clause 16 stand part of the Bill."

The motion was adopted.

Clause 16 was added to the Bill.

The House then adjourned till Half Past Eight of the Clock on Thursday, the 23rd August, 1951.